



SPORT

Dalglish takes over at Newcastle PAGE 2



BUSINESS

City's superwoman stripped of power PAGE 16



THE TABLOID

Bridget Jones's Diary

Power to the people

55 days of protest on the streets of Belgrade: now Europe's pariah totters

Steve Crawshaw
Belgrade

It was a moment supporters of the Serbian opposition had come to fear they would never see. But at last, the regime of Slobodan Milosevic yesterday seemed to be in retreat.

On Serbian New Year's Eve, on Monday night and through into yesterday morning, there was the deafening sound of whistles as half a million marked the beginning of the Orthodox Church's New Year and what they hope will be the beginning of a new era for Serbia.

Then, a few hours later, the Serbian authorities made their biggest concession yet, announcing yesterday that the opposition had, after all, won elections in Belgrade and other cities in November. Until now the government had insisted that the election results were not valid, in effect because the wrong side had won.

The concessions came after 55 days of protests which brought hundreds of thousands onto the streets day after day. It showed that people power, which has already shown its astonishing vitality in Berlin, Bucharest and Prague, is still alive in Europe.

The head of the Belgrade election commission insisted there had been "no pressures" on the commission's decision. In reality the pressures were daunting. On the one hand mass protests, similar to those which brought down Communist regimes in 1989, put the government on the defensive as never before. On the other hand Mr Milosevic, who has shown a Houdini-style ability to escape from impossible difficulties in the past, wanted a bone to throw to the opposition, in the hope that the demonstrators would go home.

The concession came in the immediate wake of a giant New Year's Eve protest and celebration com-

bined. Half a million people filled the centre of Belgrade, blowing the whistles that had become the protesters' favourite prop. Crowds remained on the streets until the small hours, walking and whistling their way through the streets or listening to bands playing in the city centre.

The longer the demonstrations continue, the more difficult it has become for the government to snuff them out. Alarmingly for the regime, even the police have seemed increasingly friendly to the demonstrators as the days have gone by.

According to the official results confirmed yesterday, 60 per cent in Belgrade voted for Zvezdono

announcement might be intended to confuse: the Organisation for Security and Co-operation in Europe, which is due to meet this week to discuss policy on Serbia. The OSCE condemned the original annulment of opposition victories.

Mr Djindjic demanded greater openness in the state media, especially the powerful and hated television news. He demanded that people across Serbia "should finally know why for two months people protested". Mr Djindjic said yesterday's concession was like "putting a few drops of water onto a huge blaze". The demonstrations, he said, would continue.

Vuk Draskovic, another leader of the Zvezdono alliance, said yesterday's decision was "the first step to common sense". But he also said the street protests would continue until it was clear yesterday's decision would stand.

The knock-on effect of the demonstrations and of yesterday's decision may bring down Mr Milosevic, the Balkan unassailable dinosaur of Balkan politics. Mr Milosevic, who came to power almost 10 years and three wars ago on a tide of nationalism, now looks more vulnerable than ever before.

Even if he limps on until elections later this year, the days when adoring crowds chanted "Slobodan Slobodan" are gone. For years, Belgrade seemed caught in the Serbian leader's malign shadow. Many ordinary Serbs seemed hypnotised by a leader who proclaimed his love of peace while encouraging and bloodshed on a scale not seen since the Second World War. Now the depressed city has gained a life of its own once more. As one man said on Monday night: "I thought Milosevic was good but he cheated us." His friend added: "Finally, we want to destroy our Ceausescu."

Inside

Dancing in the snow as the 'Ice Age' ends - page 8

("Together"), almost three times as many as the 23 per cent who voted for Mr Milosevic's party, the Serbian Socialist Party (former Communists). In the southern city of Nis, an electoral commission also announced the opposition had won, a point the courts acknowledged last week, but which the electoral commission until yesterday refused to recognise.

But politically, the fat lady has not yet sung. Mr Milosevic has not confirmed the election commission's ruling, and opposition leaders yesterday insisted on caution. Zoran Djindjic, a leader of the Zvezdono alliance, warned: "We don't know if this is a final decision, or if tomorrow a new decision will be taken to nullify this." He argued that yesterday's



Victory gesture: Serbian opposition supporters flashing the Orthodox salute during New Year celebrations yesterday Photograph: Yannis Behrakis

NHS dentist earns £640,000

Colin Brown
Chief Political Correspondent

The search was on last night for the highest paid dentist in Britain, after the disclosure by the Department of Health that it paid £604,000 last year to one dentist who works in the NHS.

Average earnings for most dentists are £98,000 a year, reduced to a more modest pre-tax £40,000 after taking account of practice expenses.

The Department said it believed the dentist had six assistants, but ministers are concerned about high earnings and are instituting checks. The figures also alarmed Gordon Prentice, the MP for Pendle, Lancashire, who tabled the question after reading that one London dentist had been ordered to be retrained after carrying out unnecessary work, which left a woman patient with fillings in every tooth in her head.

"There is a can of worms here which needs to be looked at," said Mr Prentice. "I take the view that there should be a criminal offence for unnecessary treatment, which is the same as an assault. It is not enough for them to be retrained. They should be behind bloody bars."

Mr Prentice has tabled further questions to find out in which town Britain's richest NHS dentist lives, but so far the Department has proved coy. The town where I live (Barnoldswick) doesn't have a single NHS dentist and it has over 10,000 people," he said.

Funding of Blair's office to be investigated by MPs

Christian Wolmar
Westminster Correspondent

The secret funding of Tony Blair's office is to be investigated by a committee of MPs after complaints about the propriety of a "blind fund" to help him pay for his campaigns.

The Commons Standards and Privileges Committee, whose last report resulted in the resignation of the Paymaster General, David Willetts, is to examine the funding of the Opposition leader's office and in particular the fund set up two years ago as a vehicle for anonymous donations to the party.

The investigation will embarrass Labour, which has sought to make the secretive nature of Tory party funding an election issue. The embarrassment could be compounded



David Willetts: resigned after latest report

should Mr Blair, like Mr Willetts, face questioning by the committee in the full glare of the television cameras. The investigation follows a complaint by the Tory MP for Dover, David Shaw, following revelations last year of the

existence of the blind fund. Sir Gordon Downey, Parliamentary Commissioner for Standards, has given his provisional approval to the concept of this blind fund. Because of this he has told members of the Committee he cannot undertake an investigation into the fund.

The idea behind the fund was to allow donors to the Labour Party to give large sums of money without identifying themselves to anyone except the fund administrators. This is intended to get round suggestions that big donors are attempting to buy influence in the party.

In practice the move has proved controversial and is seen by many within the party as an "own goal", as the party has always argued that it is much more open about its sources of funding than the Tories.

The blind fund was set up after Mr Blair became frustrated he could not use mainstream party funds in his campaign two years ago to abolish Clause IV of Labour's constitution.

In his complaint Mr Shaw said the notion of such a blind fund is a sham, as "it is inconceivable that a donor would not seek to draw the receiving MPs' attention to his donation at some time". Mr Shaw points out that the identity of the donors is not disclosed to the Members Register of Interests.

The Standards and Privileges Committee will simultaneously examine the role of former Tory whip Andrew Mitchell in the investigation into the Neil Hamilton cash-for-questions affair. It has decided to call Mr Mitchell to give evidence at its meeting next Monday.

Tories call for 8-hour school day

Colin Brown
Chief Political Correspondent

Plans to lengthen the school day by at least an hour are being prepared for the Tory general election manifesto, as part of John Major's new "social agenda".

Children in secondary schools and at sixth-form colleges would be allowed to start later than usual at 9.30am, but they would be expected to stay until at least 5.30pm, to do more work or to take part in organised sport.

The aim of the extra time at school, with a more flexible day, would be to raise education

standards. But it might also prove popular with working parents, who are worried about their children being left unsupervised before they return home from work.

The Prime Minister has been working out the plans with Norman Blackwell, head of the No 10 policy unit, and his political secretary, Howell James, in meetings at his home in Huntingdon during the New Year break. He has called in key ministers to discuss the manifesto plans, which will be thrashed out with the Cabinet in a special Chequers meeting at the end of the month.

City training colleges have pi-

oneered the longer students' day. Mr Major believes it has been a success which could be introduced in schools.

The longer school day could be costly, and it may upset teachers who are already protesting about low morale in the profession. However, it could mean higher earnings for teachers who carried out the supervision, or it could provide jobs for assistants brought in to cover the extra hours.

Mr Major will present the manifesto on a range of issues, including law and order, but Conservative Party sources said he wanted to focus on the "so-

cial agenda", including the provision of more cottage hospitals, improved education, and help for working women.

The Prime Minister wants to avoid the special Cabinet being used by senior Euro-sceptic ministers to force through a change of policy on Europe. The Chancellor has made clear that he would regard any change as a resigning issue.

Mr Clarke is to present a paper to the Cabinet next week on the criteria for judging whether Britain's European partners can meet the terms for entering a single currency without "fudging" the figures.

Top of the class, Page 4

QUICKLY

Grobelaar 'offered bribe to lose game'

Former Liverpool goalkeeper Bruce Grobelaar was offered "big bucks" to throw football matches and received £40,000 after Liverpool lost a game, a court heard. The Southampton goal, two other footballers and a Malaysian businessman face conspiracy charges. Page 3

Banana economics

Resco management was scratching its head over a customer who bought nearly half a ton of bananas, gave them away - and netted a £25.12 profit. Page 5

Cyprus fears eased

The US claimed success in reducing military tensions between Greeks and Turks in Cyprus. Page 8

CONTENTS

The Broadsheet	15-19
Business & City	11-13
Comment	8-10
Foreign News	14
Gazette	2-7
Home News	11
Leading articles, letters	14
Obituaries	19
Shares	20-24
Sport	15
Unit Trusts	6,7
The Tabloid	23
Arts	3
Arts Reviews	16
Bridget Jones	21
Finance	24,25
Law	12-15
Listings	4,5
Money	27,28
Theatre	26
TV & Radio	
Weather	



HOME & CONTENTS INSURANCE

Home & Legacy specialises in providing insurance for higher value homes and contents anywhere in the UK and we will save you £100's on your premiums - just look at these example combinations which are valid for your area, and each of these premiums includes accidental damage. We also offer monthly instalment plans and very low premiums for fine art, antiques, jewellery, and other valuables.

BUILDINGS SUM INSURED	CONTENTS SUM INSURED	ANNUAL PREMIUM
£250,000	£35,000	£395
£500,000	£50,000	£595
£750,000	£75,000	£795
£1,000,000	£100,000	£995

MORE COVER FOR LESS

Home & Legacy offers the widest cover for the lowest premiums in the UK including free accidental damage and worldwide cover for contents and valuables.

NO AREA LOADING

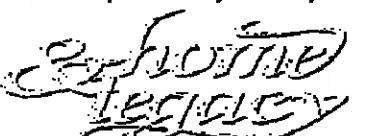
These premiums quoted are true for anywhere in England, Scotland, Wales, Channel Islands and Isle of Man.

PERSONAL, CONFIDENTIAL & EFFICIENT SERVICE

Call Robyn Harris direct on

0171 824 8224

9am - 6pm, Monday to Friday



INSURANCE SERVICES LIMITED

BACKED BY THE UK'S LEADING INSURERS
Premiums quoted are for new policies only and are valid for a period of 14 days from the date of this publication and are subject to the Home & Legacy standard construction and free from history of subsidence or flooding. Satisfactory physical security in force at the home. Satisfactory claims experience and acceptance of risk by insurers. Policy terms and conditions. Our minimum premium level is £295.

news

Fighting talk that feeds the killing fields

"Mr Geoffrey Clifton-Brown!" called the Speaker. And answer came there none. Although the Tory member for Cirencester and Tewkesbury was down to ask the second question to Her Majesty's ministers for Defence, he was not there. The Labour benches - filled with born-again invasion-repellers and arms salesmen - jeered: the assortment of ex-Vulcan pilots and services groupies on the Tory side looked crestfallen. Geoffrey had let the side down.

It was only when Michael Portillo was half-way through answering the next question on rapid deployment (this is the man, after all, who can get a hundred telephone lines into SW1 at the drop of a hat), that Mr Clifton-Brown



All David Evans's questions start as a roar and build to a sonic boom; this was no exception

deployed himself very rapidly - but far too late - into his seat. The diminutive C-B, whose face, one of the least expressive in the House, usually fails to betray emotions such as love, hatred or comprehension, was clearly annoyed. One eye opened and one finger wagged, as he explained to a colleague why he had been delayed. My hit-and-miss lip-reading suggested a tale involving a policeman, a taxi-driver and Jerry Hayes.

Then, suddenly, Mr Clifton-Brown was on his feet again and shuffling at speed out of the Chamber. I counted. Thirty seconds later he appeared at the other end of the Chamber, behind the Speaker's chair, and with a sweet grin apologised profusely, telling her about

the constable, the cabbie and the media star.

By now the two main parties were involved in a running verbal fist-fight about which of them would sell more British arms to dubious regimes - both claimed that they would. Leading for the Government was the odd dried-up figure of James Arbuthnot, Minister for Arms Procurement. He is a man whose desiccated reality bears so little resemblance to the handsome adolescent in the official photographs, that one can only assume that he is either very ill or very vain.

Or maybe, Dorian Gray style, he is wearing the sins of the nation on his face, for as he claimed fantastic success for Britain's arms export industry (14 per cent of the

world market in 1994, 20 per cent in 1995, and set to be "significantly higher") I couldn't help feeling deeply depressed, reminded of Satan's maxim from *Paradise Lost* that it is better to reign in Hell than to serve in Heaven.

No such scruples would concern the Dickensian Cockney millionaire from Welwyn, David Evans. All Mr Evans's questions start as a roar and build to a sonic boom; this was no exception. Was the minister aware, he bellowed, that "the Ockrain 'ad more nookleer wa'eads 'an Brifain and France put together? Aaand any madman could buy them if he wanted?" Labour wits quipped back: "Have you got one, then?" "Aaand," Mr Evans shrieked, "when my 'onrble

friend [minister Soames] was fightin' for Queen and country in the 11th 'ussars, the member for Sedgfield and 12 of his colleagues were grubbin' around Greenham Common in a T-shirt wiv legs and arms in the air, ready to give up!"

My mind's eye pictured the considerable bulk of Mr Soames, jammed into an armoured car (leaving precious little room for the driver or the gunner) riding to war against somebody or other (Mr Evans was not precise about who we were at war with at the time); while an abject Blair writhed in the Oxfordshire mud, wearing only a T-shirt. Mr Evans's imagery is so much more fun than red eyes and red tears, I thought, and no more untrue.

significant shorts

North Wales police chief on sex charge

A fresh allegation of sex abuse has been made against the former North Wales police superintendent, Gordon Anglesa.

North Wales police confirmed last night that a file detailing evidence of the new allegation has been forwarded to the Crown Prosecution Service which will decide whether any charges should be brought. Mr Anglesa, 59, won £375,000 in libel damages in December 1994 after television and newspapers carried reports which branded him a paedophile.

Campaign urges women to donate eggs

A billboard campaign was launched yesterday urging women to donate eggs to childless couples by King's Assisted Conception Unit Patient Support Group and CHLD, the national infertility support network.

Drink-drive PC is jailed

A police officer who crashed his car on the way home from a Christmas party at a police station was jailed for six weeks yesterday. Magistrates in Birmingham heard that PC Kevin Coombes, 30, was three times over the drink-drive limit at the time of the offence in January last year.

Marine's death "negligence"

A Royal Marine reservist on a night exercise was killed because of a sergeant's "gross negligence", Stafford Crown Court was told yesterday.

Mr Anthony Hughes QC, for the prosecution, said Kell Williamson, 22, from Halewood, Liverpool, died from injuries after the accident almost four years ago. He was injured when a van plunged into two lines of soldiers in camouflage dress as they walked on a road across the Staffordshire Moorlands. The trial was adjourned until today.

Solicitor held in Thailand

A British solicitor was yesterday under arrest in Thailand for allegedly defrauding £18m in mortgage funds.

Robert Paul Atkin, 46, from Luton, fled abroad in 1992 following a fraud squad inquiry into his conveyancing work. He was arrested following a request from the British Embassy on behalf of British police seeking his extradition. Bedfordshire Police confirmed a warrant had been issued for his arrest for deception in 1992.

O'Neill and de Brun

In a front page article on 21 November 1996 headed "IRA took tea in Commons say MIs" we reported a visit by a Sinn Féin delegation to the House of Commons to meet Labour MPs. We said the two Sinn Féin officials accompanying the party leader were "suspected by MIs of being members of the IRA's ruling army council".

On Friday, 22 November we reported the "unprecedented" denial by MIs of any involvement, and gave the names of the two Sinn Féin officials as Frank O'Neill and Bairbre de Brun. We described them as prominent Irish republicans and said "Neither seems a likely member of the IRA army council". Mr O'Neill and Ms de Brun have informed us, and we fully accept, that while they are both members of Sinn Féin, and indeed Mr O'Neill is its official representative in England, neither has been a member of the IRA, let alone its army council. We are happy to make this point clear.

Bishops vote on taking a political stand

Andrew Brown
Religious Affairs Correspondent

Church of England bishops are discussing whether or not to tell people how to vote in the general election.

The 43 bishops, who are in a four-day meeting at a Liverpool hotel, are trying to agree a common stance after individual interventions earlier this month from the bishops of Oxford, Birmingham, Coventry and Liverpool all seemed to urge Christians to vote for the Labour Party.

"They are wondering whether to issue a collective statement about the political responsibilities of Christians," a source close to the meeting said.

The agenda of the bishops' meeting is kept a tight secret. Much of this week's discussions will be taken up with internal issues. But it is known that several senior bishops would like the Church to play an active role in illuminating the issues of the general election campaign.

Others, however, chief among them the Archbishop of York, Dr David Hope, are very worried that any such intervention would be seen as a boost to the Labour Party. Dr Hope last week gave a newspaper interview in which he stressed the prosperity and success of much of Britain; most of his colleagues prefer to stress the miseries of the deprived parts of the nation.

The official position of the Church of England is that it welcomes the Catholic bishops' document "The Common Good," which was widely seen as urging Catholics to vote Labour when it appeared last autumn.

Several Bishops have privately remarked that they wished the Church of England could have produced as impressive an analysis on its own account. But the Catholic document led to renewed strains within the Catholic

Church. Anti-abortion activists denounced it as insufficiently focused on their favourite issue, while Conservatives denounced its general approach.

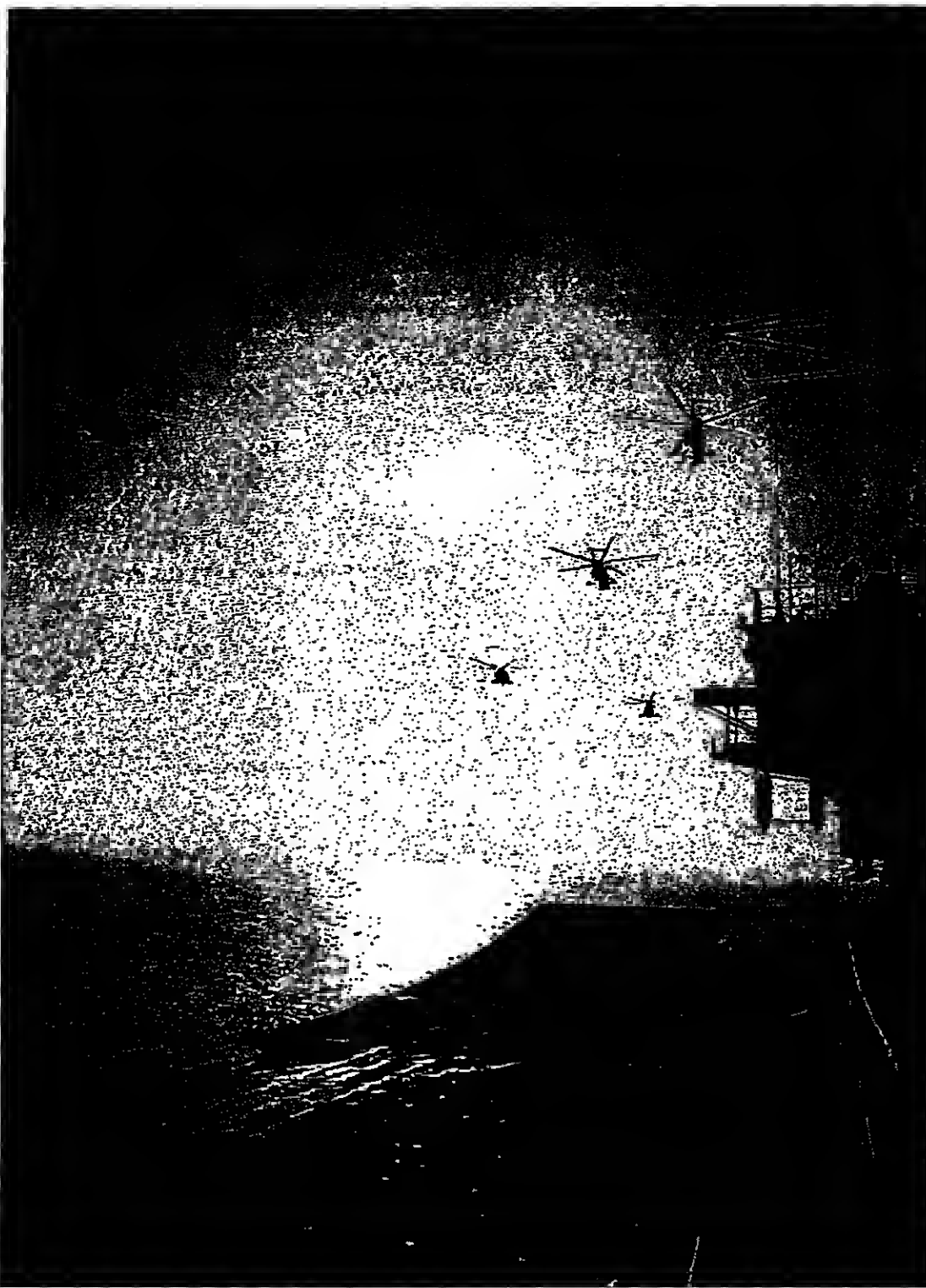
The next difficulty faced by the Church of England is the appearance of an ecclesiastical report on unemployment, which a senior adviser to the Archbishop of Canterbury, Dr George Carey, tried rather clumsily to squash when it appeared that it would draw the Church into political controversy.

A compromise has now been reached, whereby the report will be published on 7 April. It is expected to stress the primacy of jobs over profit.

Few observers believe the bishops will be able to unite around an unambiguous political statement, partly because they are themselves politically divided. But what they are trying to do, said one source close to the meeting, is to ensure that the political agenda is seen in a theological light: Christianity teaches that human beings have certain fundamental needs and rights implanted by God, and these are what political programmes should try to satisfy.

The trouble for the Church is that the causes where Christian leaders believe the teachings of the Bible are clearest are those where they are least popular. The treatment of the powerless, whether they are beggars, asylum seekers or refugees, is high on the Christian agenda but low on that of any politician who wants to get elected. Several bishops, such as Rt Rev Mark Santer, the Bishop of Birmingham, have attacked New Labour from the left, in political terms.

The final dilemma the bishops meeting in Liverpool must confront is that although they want the deliberations of politicians to be judged by their theological content, they find themselves in a world where the deliberations of bishops are judged for their political content.



Out of the sun: Sea King helicopters from RNAS Culdrose flying by HMS Illustrious, seen here off the Cornish coast yesterday, before embarking for the voyage to the Far East. Photograph: David Brencley

Ministers angry after being accused of fuelling beef crisis

From Sarah Helm
Brussels
Fran Abrams
Political Correspondent

The European Parliament yesterday erupted with the British government and the European Commission when it published a draft report attacking both for fuelling the beef crisis.

Britain is accused of failing to ensure an effective ban on the feeding of suspect offal to cattle and "blackmailing" the EU during the non-cooperation campaign. Reimer Boege, the German head of the parliamentary committee of inquiry, said Britain should be taken to court for failing to assist with his committee's investigation.

Douglas Hogg had refused to give evidence. Mr Boege complained, and should face charges before the European Court of Justice for failing in its obligation to co-operate with a community institution.

The Commission is accused of spreading "disinformation"

in order to protect the single market in beef by preventing the seriousness of the bovine spongiform encephalopathy scare becoming public.

Mr Boege said he intended to challenge commission president Jacques Santer to answer charges of "disinformation" over the BSE affair, when he faces the committee today.

However, the European Parliament itself came under immediate retaliatory attack for what senior commission officials

said was an "amateurish" and "batty" report. "This is pure theatre. The parliament's criticisms are unsubstantiated. The committee just wants publicity," said a senior Santer aide. "What did the parliament itself do to avert the crisis? The answer is very little."

In London the Ministry of Agriculture was quick to dismiss the report as simply the view of one committee member. Some of the criticisms were "ridiculous and offensive," a spokeswoman said.

The parliamentary committee's draft report lists a serious pressure on the Commission not to inspect slaughterhouses and of packing EU veterinary committees with British officials in order to push the British case.

In series of sweeping statements, the report questions the "impartiality" of British officials, and accuses the Government of a "biased" reading of the advice and warnings of scientists.

And in a move that will surprise many British observers, the report then accuses the European Commission of being in cahoots with Britain over mad cow disease. It says the Commission "tried to follow a policy of downplaying the problem which can, at certain moments, be interpreted as amounting to a policy of disinformation". As was evident in Brussels at the time, the report implies that the last thing the Commission wanted was the beef ban, but it was forced to call for one by member states after hysteria spread in March.

Burial for unwanted burgers

At least 36 million burgers, sausages, pies and lasagnes are to be buried underground in landfill sites as a result of the BSE crisis. It was revealed last night, writes Fran Abrams.

More than 150,000 cattle will also be disposed of in the same way, according to the board which is dealing with the problem. Officials say there is

no risk to the public in getting rid of the unwanted food in this way, but last night a member of the House of Commons' Environment Select Committee said she believed the only really safe method was incineration.

The 8,000 tons of pies, burgers and other ready-prepared foods were withdrawn from sale by restaurant chains, shops

and manufacturers after the beef scare blew up last year. Although the government did not compensate firms for the loss of the goods, it took on the cost of storing them and disposing of them. The food is being kept in cold storage at sites around the country and is expected to be buried by the end of the Summer.

Mayhew warns on IRA violence

David McKittrick
Ireland Correspondent

The Secretary of State for Northern Ireland, Sir Patrick Mayhew, warned yesterday that the current wave of IRA activity was intended as part of a build-up to "full violence" by republicans.

He was speaking in the wake of the latest IRA attack, in which a mortar bomb was fired

at a police patrol in west Belfast on Monday night. No one was injured in the incident.

Security is being steadily increased, with the appearance of more roadblocks and other precautions, as the Army and police brace themselves for further attacks. The terrorist campaign is by no means running at the level prior to the 1994 IRA ceasefire, but the frequency of incidents is increasing. Most

have been aimed at the security forces. In Monday's incident terrorists took over a house in a nationalist area at Stockman's Park, holding a couple captive for more than three hours. When two RUC Land Rovers appeared a mortar bomb was fired through a hedge, but missed the vehicles and disintegrated on the road. Sir Patrick said: "This is part of a deliberately planned escalation to full

violence by the IRA." Meanwhile, Sir Patrick continued with his attempts to cope with the fallout from remarks by Ronnie Flanagan, the RUC Chief Constable, on Monday, when he blamed loyalists for two recent bomb incidents.

The Government had clearly been reluctant to press the issue, fearing that it could result in the ejection of loyalist political representatives from the

Stormont political talks. Sir Patrick declared: "If there is sufficient evidence as a question of fact to show that either of the small loyalist parties at the talks are inextricably linked with people who committed these things then they must take the consequences." However, the political consensus appears to be that the loyalists should be allowed to remain at Stormont.

Make the switch and make £150

If you have a current balance of up to £3,000 on your credit or store cards, transfer the lot to Barclaycard and we'll reduce the amount you owe by 5%. That's £150 on a balance of £3,000. No wonder Barclaycard is Britain's favourite credit card!



Call free to find out more on:

0800 49 29 29

YOU MUST QUOTE 37ICKX WHEN YOU CALL

Barclays Bank PLC. Registered in London, England Reg No. 1026167. Registered Office: 54 Lombard Street, London EC3P 3AH. Full written details available by phoning 0800 121 300.

صكنا من الامل

Soccer star 'took bribes to fix games'

Liverpool goalkeeper received £40,000 after his team lost 3-0, court told

Michael Streeter

The former Liverpool goalkeeper Bruce Grobbelaar was offered "big bucks" to throw matches and later received £40,000 after his side lost 3-0 in a Premier League game, a court heard yesterday.

Mr Grobbelaar, now with Southampton, John Fashanu and the former Wimbledon goalkeeper Hans Segers are accused of receiving or giving money to influence the results of matches. A fourth defendant, Heng Suan Lim, is said to have been a "representative" of an Indonesian-based syndicate betting on the outcome of the fixed games.

David Calvert Smith QC prosecuting at Winchester Crown Court, said Mr Grobbelaar told a business partner in 1993 that he was embittered by how little Liverpool paid him compared to other players and wanted to make extra money. In the 1993-94 season he received a £160,000 gross salary, the 13th best paid Liverpool player.

He allegedly told the friend, Christopher Vincent, how he could make more money. "Grobbelaar said the syndicate was prepared to pay him big bucks and wanted him to chuck games," said Mr Calvert Smith. "And he was going to get £40,000 to £60,000 a game if he was prepared to do the business."

After Liverpool lost 3-0 to Newcastle in November 1993, Mr Grobbelaar allegedly phoned Mr Vincent to say it had been a "good result." Mr Calvert Smith added: "If Vincent is right then it certainly had been." The same witness said Mr Grobbelaar later collected £40,000 in cash in the presence of Mr Fashanu, a former Wimbledon and Aston Villa player now retired through injury. The Crown had evidence of how Mr Grobbelaar and Mr Vincent had disposed of the money, said Mr Calvert Smith.

At the start of the case, he outlined the earnings of the three footballers. In his last three years at Liverpool Mr Grobbelaar had dropped in an unofficial table of highest-paid players from 8th to 13th. Mr Fashanu, 33, received £200,000 a year with Wimbledon and got a £200,000 signing-on fee when he moved to Aston Villa. Mr Segers had earned £80,000 as Wimbledon's goalkeeper.

The prosecution had no clear idea what the Malaysian-born Mr Lim, 31, had done in employment during the period but he had studied accountancy and had been involved in selling cars and was involved in a restaurant.

Mr Calvert Smith said the "corrupt scheme" to throw matches was revealed after Mr Vincent approached the Sun for financial gain to tell the story about Mr Grobbelaar.

When the story was published in 1994 Hampshire police investigated and later interviewed Mr Grobbelaar, 38.

Mr Calvert Smith said that in interviews taped by the Sun Mr Grobbelaar had effectively admitted his actions: there were also many phone calls and further documentary proof which backed up the claims of Mr Vincent, whose evidence had to be taken with a pinch of salt, said Mr Calvert Smith. Mr Segers, 34, received large sums from Indonesia

accused of accepting £2,000 from Mr Vincent in the Sun "sting" as an inducement or reward for influencing the outcome of a match. Mr Calvert Smith said Mr Grobbelaar had got to know Mr Vincent through a business deal involving safari tours in their native Zimbabwe and had become close friends.

He said the jury may not have much sympathy for a man (Mr Vincent) who received money from a newspaper for a story about Mr Grobbelaar and who apparently had a book planned on the subject. "His decision to expose Mr Grobbelaar's activities was the result of a business quarrel and not a desire to prevent corruption." But there was both direct and indirect evidence, including statements from other witnesses, which substantiated many of Mr Vincent's claims.

Mr Vincent said that Mr Grobbelaar had used a code in his dealings with Mr Lim - to whom he referred as the "short man" or "Dubka".

When he was on the phone with Lim, said Mr Calvert Smith, Mr Grobbelaar used a code to represent whether a match would be won, lost, drawn. For example, the name Wimbledon was used to represent a win, as it began with W, the name Leeds represented a loss and Dundee would refer to a draw. Other teams' names were disguised. For example the team Leeds was referred to as London because it too began with an L. Mr Calvert Smith said: "There was a certain amount of concealment or code in operation."

He said that in September 1993 Mr Vincent claimed he had gone with Mr Grobbelaar to the Hilton Hotel at Manchester airport, where the goalkeeper had allegedly received £1,000 in cash handed over during a brief meeting in a hotel lavatory, apparently because Mr Grobbelaar wanted to avoid being seen carrying out the transaction in a public place.

According to Mr Vincent, Mr Grobbelaar had initially been involved in a legal scheme through Mr Fashanu to "advise" the syndicate in Indonesia about the likely results of matches but there was evidence that he had later become "hooked" in the fixing of matches, said Mr Calvert Smith.

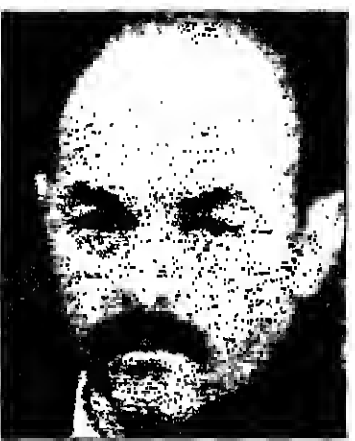
At another meeting in November 1993 Mr Grobbelaar had met Mr Lim again, this time at Heathrow airport, to receive another £1,000 - though Mr Vincent claimed only £750 was handed over.

Mr Calvert Smith said Mr Lim's contacts in Indonesia were a man called Johannes Josef, who had come to London and stayed at the Dorchester Hotel on several occasions and Mr Josef's partner, Elly.

All four men deny the charges. The case continues.



Accused: John Fashanu (top) and Bruce Grobbelaar



during the football season and after matches which Wimbledon had lost, said Mr Calvert Smith.

His explanation that he received the money from crimes committed as a teenager were implausible in the extreme. The idea was that he would do what he could to influence the result of games in order that the syndicate could more safely bet on their outcome, said Mr Calvert Smith.

Crucial to the case were hundreds of telephone calls linking Messrs Lim, Segers and Fashanu, and Messrs Grobbelaar, Lim and Fashanu. The Crown had found no evidence or business links with Indonesia which could justify Mr Fashanu's financial gains, said Mr Calvert Smith. Mr Grobbelaar is also



Sculpture king: Gallery owner Nicholas Treadwell steers Sean Read's fibreglass statue of Elvis Presley, *Return to Sender*, from its east London gallery for the Art 97 art fair in Islington, north London, which runs from today until Sunday. Photograph: Kippa Matthews

A nation mourns. France's only rock star defects to the USA

John Lichfield
Paris

For a nation already wallowing in a crisis of confidence and identity, no news could have been more exquisitely crushing.

Jean-Philippe Smet wishes to be an American citizen.

Jean-Philippe Smet is better known as Johnny Hallyday, Chevalier de la Légion d'Honneur, France's only contribution to the history of rock 'n' roll, a cultural icon to his countrymen (if no one else) for the past 38 years.

In an interview in yesterday's *USA Today* newspaper, Mr Hallyday, 53 going on 18, casually let it slip that he wanted to be an American. Nothing unusual about that, you might say. Mr Hallyday has been a wannabe American ever since he saw Elvis Presley on television in 1958.

But, no, it is far worse than that. Johnny wants to become an American citizen. He is producing his first American record later this year, in English. He wants, finally, to make it in the land of his spiritual forefathers (Elvis, Buddy, Chuck etc).

Why, oh why, Johnny? "French people," he explained, "are very rude." Well, yes, everyone knows that. But what else? He wants to sing in front of American audiences. "It's my American dream," he said.

Mr Hallyday, who still has his shoulder-length blonde hair, already spends half the year in Miami on a 145-foot yacht. He met his third wife, Laeticia, 21, in her father's night-club in the American city two years ago.

Did he not already perform in Las Vegas in November? Was that not an American audience? Not exactly. Nearly 8,000 French people paid \$1,460 (£880) to fly out and see him.

Then *pourquoi*, oh *pourquoi* is he abandoning such loyal fans? In France, he is a star - THE star - a man who caused teen riots when the Beatles were still in school, the performer of such classic numbers as "Joue pas de rock and roll pour moi", the mainstay of movies such as "D'où viens tu, Johnny?"

"French movies are boring," he told the American newspaper. "I love American movies, because everything is in your face."

On the face of it, nothing could be more calculated to distress the French, already convinced (quite unreasonably) that their culture and nationhood are being drowned by globalism and Anglo-saxon culture.

But how French, in any case, is a man called Johnny, who performs *Le Rock*? Hardly at all, actually. He was born in Brussels in 1943. Johnny Hallyday is, in fact, a Belgian.



NATIONAL SAVINGS

Investment Ideas

HELPING YOU MAKE THE MOST OF YOUR SAVINGS AND INVESTMENTS

UP TO MY LIMIT IN TESS IS AND PEPS. How else can I avoid paying tax on my savings?

Ian Thiru ROSS-ON-WYE



Michael Morris National Savings

"NATIONAL SAVINGS HAVE A UNIQUE RANGE OF TAX-FREE INVESTMENTS, which can be held in addition to TESSs and PEPS. Like our Fixed Interest Savings Certificates, which pay an attractive, guaranteed rate of 5.35% pa over five years - completely tax-free (equivalent to 8.9% pa gross if you are a higher rate taxpayer). And what's more they are mentioned on y..."

Buy now using coupon in Your... freecall 0500 500 24 hours a day, 7 days a week

NATIONAL SAVINGS

Unique Investment Opportunities from HM Treasury

FC11N7

news

Cruel puppy farms in the dog house

Louise Jury

A grey and white Shitzu puppy sits shivering on a bed of newspapers covered in excrement and urine. In a nearby kennel, a pair of Shelties have only an orange crate for a bed.

A King Charles spaniel stares sadly through the bars of his kennel, while a Labrador bitch sits on a pallet with only a saucer of dirty water for sustenance.

These were the cramped and filthy scenes which greeted Royal Society for the Prevention of Cruelty to Animals inspectors when they paid a visit to a puppy farm in west Wales last week.

The pictures were released on video yesterday as the charity urged MPs to support a private member's Bill aimed at clamping down on cruel puppy farms.

The Breeding and Sale of Dogs Bill, promoted by Diana Maddock, Liberal Democrat MP for Christchurch, would make it easier for councils to prosecute unlicensed breeders and improve welfare standards at licensed breeding establishments.

But given the pressure on



Sentenced: West Highland terriers living in filth at an illegal puppy farm in Wales. A private member's Bill aims to clamp down on unlicensed breeders

parliamentary time, it stands no chance of becoming law unless the Government lets it go through to committee stage "on the nod" when it receives its Second Reading on Friday. The Bill incorporates many recommendations made last year in a report on puppy breeding for the all-party parliamentary group on animal welfare. It has the backing of more than 80 local authorities as well as the RSPCA. Around 20,000 mem-

bers of the public have signed a petition of support.

Ms Maddock said yesterday that local authorities and the RSPCA needed "teeth" to act. "People are buying puppies and they don't know what they're buying. If you have not seen a puppy with its mother, you don't know what kind of establishment it comes from," she said.

Puppy farms are supposed to have a licence from their local council, but even this does not guarantee good welfare standards - as the unnamed farm in Wales demonstrated. In the worst cases, dogs are kept in dirty, damp conditions, bitches are forced to breed excessively and puppies are removed from their mothers too early.

The poor conditions often created health problems which require expensive veterinary treatment later on. In many cases, dogs which have been maltreated are also difficult to train when they get older.

Ms Maddock said: "This is not controversial. The people

who will have to carry it out - the local authorities - are behind us. We hope the minister, Tom Sackville, will back it."

Roger Gale, the Conservative chairman of the all-party animal welfare group, condemned the farms as a "vile trade". And Elliot Morley, Labour's spokesman on animal welfare, said that if the Bill was not successful, any future Labour government would introduce measures to tackle the problem.

Kate Parmenter, for the RSPCA, said they wanted tougher legislation to be able to do their job properly.

The Bill would require an independent vet to be involved in initial and annual inspections of establishments, lay down clear welfare standards and make it easier for local authorities to act against unlicensed breeders.

Ms Parmenter said the video footage shown yesterday was typical of what inspectors found across the country, where animals were being raised purely for profit with no thought of their well-being.

"The RSPCA is opposed to practices where animals are treated merely as commodities. It's a disgrace," she said.

A pedigree Labrador puppy bought from a licensed breeder might cost as much as £800, two or three times as much as from a less reputable trader. Some of the animals are transported abroad, often to the Far East.

The Government was yesterday urged to carry out an immediate "risk assessment" on its rumoured plans to replace quarantine rules with a new system of identification and vaccination, writes James Cusick.

With the Green Paper on the new proposals expected within the month, the lobby group the Pet Advisory Committee backed the easing of quarantine rules, providing that safeguards were included in any change. "Consideration should be given to a relaxation of the quarantine regulations for animals entering the UK from other EU and rabies-free countries, based upon a risk assessment and feasibility study," it said.

Clubs get pupils to the top of the class

Judith Judd
Education Editor

After-school activities, such as sport and drama, are just as closely linked to high standards as homework, says government-commissioned research which was published yesterday.

Far from disappearing from schools as teachers struggle with new government initiatives, extra-curricular clubs are booming, according to the study by Professor Michael Barber.

His study, which compared seven schools rated excellent by inspectors with seven others, found that high academic standards and a wide range of such clubs went hand in hand. More pupils were involved in out-of-school activities in the excellent schools.

"This contradicts the view that by encouraging a focus on academic performance, wider goals are being neglected. The two go together," Professor Barber said.

The report by researchers at Keele and London universities says pupils feel they benefit by learning more, making friends and gaining confidence.

Professor Barber, of London University's Institute of Education, challenges the view that lunchtime and after-school clubs, usually run by teachers without extra payment, were never reinstated after the teachers' strike in the mid-Eighties when they were withdrawn as part of the industrial action.

After-school activities and homework clubs have "much to contribute both to pupils' interest and enjoyment of school and to their ability to succeed academically," the report says.

It acknowledges the study is too small to establish cause and effect but suggests both are linked to schools' high overall performance in "a virtuous circle." On homework, the report found about 70 per cent of pupils in the excellent schools

did six or more hours per night. The figure for the other schools was around 35 per cent.

The Government announced that it would provide guidelines on homework and case studies of good practice to be circulated to schools later this year.

Robin Squire, the schools minister, said: "It is very clear that setting more and better targeted homework helps to raise standards." But he attacked Labour's decision to specify how much homework pupils should do each night.

"It is not the role of government to prescribe how much homework should be set or in which subjects. This would be totally impractical and would be an insult to the professionalism of teachers," he said.

Labour has said primary children ought to spend 30 minutes a night on homework and secondary children 90 minutes.

Mr Squire said: "A few months ago Jack Straw suggested that children should be in bed by a particular hour. Presumably they would also go round checking up that they had done their homework first."

He announced £60,000 to promote homework in 12 schools. The projects include homework clubs, homework advice for parents and evening classes to teach parents how to help their children with maths.

David Blunkett, Labour's education spokesman, said a recent opinion poll (*Sunday People/Audience Selection*) had shown 77 per cent of parents backed Labour's policy. "It is odd ministers persist in denying parents information about what they should expect."

Peter Smith, general secretary of the Association of Teachers and Lecturers, said the Government was "correct to rule out 'new' regulations. To impose them would be to ignore the lessons of the national curriculum and the danger of excessive intervention."

NOTICE TO CUSTOMERS OF HALIFAX INTERNATIONAL (JERSEY) LIMITED.

Halifax International (Jersey) Limited announces revised interest rates from 16th January 1997.

BALANCE	ANNUAL INTEREST GROSS P.A. %	MONTHLY INTEREST GROSS P.A. %
HALIFAX PREMIUM INTERNATIONAL		
£100,000+	6.10%	5.94%
£50,000+	6.05%	5.89%
£25,000+	5.85%	5.70%
HALIFAX DEPOSIT INTERNATIONAL		
£100,000+	5.75%	5.60%
£50,000+	5.65%	5.51%
£25,000+	5.45%	5.32%
£10,000+	5.15%	5.03%
£5,000+	4.50%	4.41%

If you have less than £25,000 in your Halifax Premium International account it will earn interest at the equivalent Halifax Deposit International rate. If you have less than £5,000 in your Halifax Premium International account or Halifax Deposit International account we will only pay you interest of 1.00% gross p.a. "Gross" means we will not take any tax off the interest we pay.

Further details can be obtained by calling Halifax International (Jersey) Limited on 01534 59840 (from within the UK) or 44 1534 59840 (from outside the UK).



15th January 1997

HALIFAX INTERNATIONAL (JERSEY) LIMITED PO BOX 464, HALIFAX HOUSE, 31-33 NEW STREET, ST. HELENS, JERSEY, CHANNEL ISLANDS JE4 8YW.

BBC triumphant in ratings battle

Marianne Macdonald
Media Correspondent

The BBC yesterday hailed 1996 as a triumph for the corporation, with the release of audience figures showing that BBC1 and BBC2 were the only terrestrial networks to increase their share of viewing.

Last year, BBC1 delivered its best competitive performance against ITV for seven years, according to the official Barf figures. It narrowed ITV's lead to 2.7 per cent, from 5.1 per cent in 1995 and 7.1 per cent in 1994. The corporation also increased its overall audience share for the fourth year running, to 44.1 per cent from 43.3 per cent. Of that, BBC1's share rose by 0.3 per cent and BBC2 by 0.4 per cent.

BBC2 also claimed to have increased its lead over Channel 4, pushing its audience share from 11.2 per cent to 11.6 per cent, compared to 10.8 per cent for its rival (down 0.2 per cent from 1995).

Michael Jackson, director of

Lovely jubbly: How Del Boy and Rodney took the Beeb to the top



Del Boy: David Jason

Viewing figures for top 10 programmes on all channels last year

1. Only Fools and Horses - 24.35 million, BBC1, 29 December
2. EastEnders - 22.7 million, BBC1, 25 & 29 December (a)
3. Coronation Street - 21.3 million, ITV, 28 February & 1 March (a)
4. Casualty - 18.05 million, BBC1, 24 February
5. A Touch of Frost - 17.57 million, ITV, 4 February
6. One Foot in the Grave - 17.47 million, BBC1, 26 December
7. Euro 96: England v Germany - 17.46 million, BBC1, 26 June (b)
8. You've Been Framed - 17.34 million, ITV, 27 October
9. Heartbeat - 16.69 million, ITV, 27 October
10. The National Lottery Live 16.62 million, BBC1, 6 January

(a) Denotes an aggregate audience.
(b) ITV's coverage of this match was seen by a further 6.3 million viewers.



Rodney: Nicholas Lyndhurst

television and the controller of BBC1, said: "In the year of our 60th anniversary, viewers couldn't have given us a better birthday present than their support."

At 25 hours and nine minutes a week, average viewing of all channels declined by just one minute last year compared to 1995. The BBC's share was 11 hours and four minutes (up on last year by 10 minutes).

ITV's share was eight hours and 50 minutes (down 32 minutes) while Channel 4 attracted two hours 42 minutes. Viewing of cable and satellite increased by 24 minutes to two hours 32 minutes.

Mr Jackson pointed to the success of BBC programmes in 1996 for its success, including *Our Friends in the North*, *The House*, *Ballykissangel*, *Hamish Macbeth* and *The Crow Road*.

But Will Wyatt, chief executive of BBC Broadcast, although applauding the "vote of confidence" from the audience, sounded a note of warning.

"We must be realistic about the tough challenges facing us in 1997," he said. "The competition will intensify with the arrival of Channel 5 and other new cable and satellite services."

ITV said yesterday that it

could not vouch for the accuracy of the BBC's figures because it quantified its statistics differently.

However, a spokeswoman conceded: "The BBC are certainly doing better, but they still have a long way to go before they reach ITV's dominant 40 per cent share of the peak-time audience, which is more than 6 per cent ahead of BBC1 according to our figures."

New Year. New Technology. Old price.



Dell have kicked off the new year with an outstanding offer. The Dell Dimension™ XPS M166s and its Intel 166MHz Pentium® Processor with MMX™ technology is now available for only £1,299

(£1,555.70 inc delivery & VAT). And, for limited

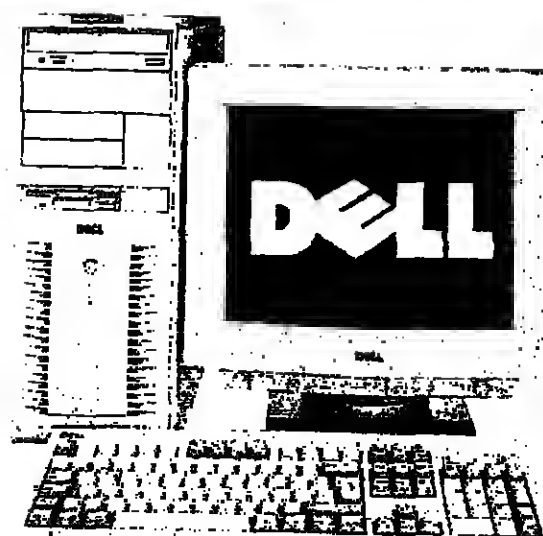
period only, we'll give you an extra 16Mb SDRAM for free. So you get the most advanced hardware with no advance in price. And because it comes with new MMX technology, it can run between 10% and 20% faster under today's normal business applications. Call the world's largest direct PC manufacturer™ today on 01344 724616 and get this year's technology at last year's prices.

*Free offer available only on Dell Dimension XPS M166s Bonus Bundle at time of purchase. **Source: IDC

DELL DIMENSION XPS M166s BONUS BUNDLE

- INTEL® 166MHz PENTIUM® PROCESSOR WITH MMX TECHNOLOGY
- 16Mb SDRAM + EXTRA 16Mb SDRAM FREE
- 512Kb PIPELINE BURST CACHE
- 2Gb EIDE HARD DRIVE
- 512Mb POWERGRAPH 64 3D PCI GRAPHICS CARD
- 2Mb VIDEO MEMORY
- 15" COLOUR SVGA MONITOR (13.75" VIEWABLE AREA)
- EIGHT SPEED CD-ROM DRIVE
- MID-SIZED TOWER CHASSIS
- INTEGRATED 16-BIT SOUND AND AC970 SPEAKERS
- MICROSOFT® WINDOWS 95 & MS OFFICE PROFESSIONAL 95

£1,299 (£1,555.70 incl. delivery & VAT)



FREE 16MB SDRAM WORTH £120 *LIMITED PERIOD ONLY

DELL

TALK DIRECT TO THE NUMBER ONE
01344 724616
Between 8am and 8pm weekdays, 10am to 4pm Sat

Dell and the Dell logo are registered trademarks and Dell Dimension is a trademark of Dell Computer Corporation. Intel, Intel Inside, Pentium are trademarks of Intel Corporation. Microsoft, Windows, Office Professional 95, and the Windows logo are registered trademarks of the Microsoft Corporation. Delivery at £275 (£299.70 incl. VAT) per system. Finance is available subject to credit. Full details available on request. Prices correct to date of publication. The photographed product may not always match the specifications in this advert. Prices quoted refer to specification described only. The prices listed within the information available at the time of going to press. Prices change frequently. All prices and specifications are subject to change without prior notice or obligation. Offer, limited to Windows 95 or 98 licensed Windows 95 or 98. *Offer Pro 4.11. Dell mouse and keyboard included. Dell Computer Corporation Ltd, Milbank House, Western Road, Bracknell, Berkshire RG11 1ED. Offer available for a limited period only.

سكربت الاصل

Banana economics: buy 942lb of fruit, give it away – and end up £25 in profit

Richard Smith

Physicist Phil Calcott always wanted to make a grand gesture. So the chance to give away nearly half a ton of free bananas proved utterly irresistible.

The idea came to the 25-year-old scientist when he saw a special offer at his local Tesco supermarket. "They had this offer on where you could buy three pounds of bananas for £1.17 and get 25 points on your Tesco Club card, which you could redeem for goods worth £1.25," said Mr Calcott.

"I did a mental calculation and it seemed you couldn't lose. Basically they were paying shoppers eight pence to take away three pounds of bananas."

Mr Calcott was so convinced the two-week offer was ripe for the taking that he spent £367.38

buying up 942lbs of Tesco bananas. Supermarket staff twice had to stack up a trolley seven feet high with bananas and wheel it outside to Mr Calcott's Peugeot 205.

"I took a car load at a time because even with the back seat down and the boot full I could only fit in 460lbs of bananas," said Mr Calcott.

He continued: "Tesco were very helpful. They put the bananas on a trolley and loaded them up for me. But when I popped back for some more they said they were not doing any more bulk orders and would only sell me one case, which is quite understandable because they seemed to be making a loss on it."

"At one stage my living room was stacked from floor to ceiling with 25 cases containing

around 3,000 bananas." Mr Calcott then set about giving away the fruits of his labour.

"Some people were dreadfully suspicious because they couldn't conceive of anybody giving something away," said Mr Calcott who works at a Government defence establishment.

"Yesterday I took 70 pounds of bananas to give to friends at work and they have made me a badge which says 'The Banana King'. The only abusive reaction I had was after giving a bunch of bananas to a woman at her home. As I walked down the garden path her husband shouted 'It's money we want - not bananas'."

"Children in the street now shout 'Banaman' whenever they see me," he added.

"All I have left are two bunches of bananas for my own consumption - and that's it. Giving away things for free has always appealed to me - just to see how people would react. It's been great fun and I'd definitely do it again. I'm waiting for Tesco to do a special offer on pineapples because I am rather partial to them."

Mr Calcott now has almost 8,000 Tesco Club card points and his banana spending spree has netted him a £25.12 profit - although it must be spent on goods at the store.

Tesco said its promotion - which ends this weekend - was not due to a banana glut but was simply the latest special offer to card holders. A spokeswoman said she had not heard of any shoppers loading up with cheap bananas. "It's not what we had in mind. But if people choose to do it then it's up to them."



Now he has no bananas: Physicist Phil Calcott with some of his money-making Tesco harvest Photograph: Peter Lea

DAILY POEM

Goose Hymn

By MR Peacocke

We lub us ogre
It like we two legi
Two blin eye
It diet us born

It warm us diet us lib
It look us lub feed us
going on comin in
Mind it mangly boot

It go unwingly
Lub it comy comy cop ya
Mind it strangly finger
it strongly anger

It frighten we
It mighty mighty alway
It might alway
might diet us die

"Goose Hymn" appears in *Selves* by MR Peacocke (Peterloo Poets). It was described by Penelope Fitzgerald in her Books of the Year choice for *The Independent* as "savoury observations by geese in a brilliantly invented language of their own".

From this week: a new look to your Sunday

The Independent on Sunday is getting bigger, better and brighter



We've got a smart new look for 1997 and are introducing a range of other improvements including:

- An expanded news section with extra pages for the very best in comment and analysis.
- A new second section containing our acclaimed sports and business coverage.
- A make-over for our popular *Real Life* section with many new features reflecting the way we live today.
- *Spending*, a big new section full of news, features, ideas and advice on travel, property and personal finance.
- The *Sunday Review* - the first of its kind and still the best - from this week includes a seven-day television and radio guide with full listings.



Plus Body Shop boss Anita Roddick joins our team of award-winning writers. Read her new column starting on Sunday.

Don't miss the new, five-section Independent on Sunday - place an order with your newsagent today

Simply the Best.

In 1996 there were several announcements of the «Swissair's been voted best» kind. Some goes for 1995. Same for 1994 and every other year all the way back to 1976. And it appears 1997 will be no exception. Executive Travel magazine has just awarded us gold for having the Best Shorthaul Executive/Business Class as well as the Best First Class service. So we'd like to say «Thank You» to everyone who voted for us. And assure you that we won't just sit back and put our feet up. That's what we want you to do...

swissair  world's most refreshing airline.

politics

PRIME MINISTER'S QUESTIONS

SCORING THE EXCHANGES

Michael Heseltine
3/10

A distinctly non-sparking performance from the Deputy Prime Minister, standing in for Major who was returning from the Indian sub-continent. Many of yesterday's questions were on health, and Heseltine appeared badly prepared.

Anne Taylor
5/10

John Prescott was on his way to Hong Kong, so his place was taken by Taylor, Shadow Leader of the House. Heseltine was open to attack on many fronts, but Taylor seemed determined to become less specific in her questioning as she went on.

TAYLOR'S ATTACK

Taylor's first question was on a survey about the NHS, to which Heseltine replied with standard-issue statistics and a rather familiar phrase about the health service being safe in Tory hands. He later went on to assert that beds could not be kept empty in readiness for emergency cases - an odd argument which might have been worth Taylor's while to pursue. A second-rank contest, both in terms of competitors and arguments.

THEMES OF THE DAY

- Recent child malnutrition survey (Nick Ainger, Lab; Pam broke)
- Low morale among teachers (Iwan Wyn Jones, Plaid, Yrws Mor)
- Assisted public school places (Michael Fabricant, C, Mid-Staffordshire)
- Labour local education authorities' records (Tony Marlow, C, Northampton)

GOOD DAY...



John Cummings (Lab, Easington) came up with a specific health question (on a young constituent needing emergency treatment) to which Heseltine had shown he would be vulnerable. Heseltine lived down to expectations.

...BAD



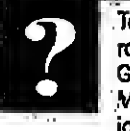
Betty Boothroyd (The Speaker) allowed two anti-Labour questions from Conservative MPs which were not about Government policy (and were therefore inadmissible) before she noticed the trend and stopped the third.

THE QUIP OF THE DAY



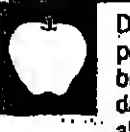
Robert Dunn (C, Dartford) said: "Local government in Manchester, Liverpool, Lambeth and Islington is inefficient and incompetent... the party opposite could not even run a bath."

THE UNANSWERED QUESTION



Tony Marlow was the third Conservative in a row to begin to ask a question unrelated to Government policy. After being caught out, Mr Marlow had to write the question off as a bad job and ask something completely different.

THE CREEP OF THE DAY



Dame Elaine Keillett-Bowman (C, Lancaster) appeared in an electric blue outfit and further brightened a miserable Deputy Prime Minister's day by asking whether he thought Prescott was absent from the chamber because he was afraid of him.

Compiled by Ben Summers

Labour warns of one-party state

Latest campaign concedes the possibility of a fifth Tory term

Anthony Bevins
Political Editor

Labour last night warned of the risk of a "one-party state" if the Tories win a fifth term in the election. Robin Cook, the shadow Foreign Secretary, is to launch a new Labour campaign tomorrow, in which he will warn of the risks of another Tory government.

"What our campaign will show is that the real risk is a fifth term, and the Tory party beginning to feel that they can get away with anything because we live in a one-party state," he said last night.

"People should think twice about the devil they know, before they get burnt again."

In a speech to Scottish Labour MPs last night, the party leader, Tony Blair, said: "Make no mistake about the desperation of the Tories. They will do anything, say anything, to hang on to power. They think they have a divine right to rule."

"The Tory fifth term does not bear thinking about. The collapse of the health service. Another explosion of crime. Falling further down the educational league. No devolution, no Scottish Parliament and a threat to the Union from a government which refuses to listen. You know my mantra against complacency. I say it again tonight. Nothing is guaranteed. There

is as yet not a single vote won." The defeatist and high-risk strategy of conceding the chance of Conservative victory has been deliberately taken by the Labour leadership because of real fears that John Major could capitalise on the strong public perception - even among Tory voters - that Labour will win.

That view is thought to be so strong that Labour believes not only that its supporters might take victory for granted and not bother to vote, but that some marginal Tory supporters might give Mr Major a sympathy vote in the belief that he cannot possibly win. "Those factors com-

bined, could help the Tories to victory," one Labour source said. Tomorrow's Labour campaign will be based on the party's private polling evidence that fear of Labour is far outweighed by fear of what a fifth Tory government would do - running down the NHS; reducing school choice; allowing crime to rise; and increasing taxes.

Fuelling speculation - and sowing confusion - about election timing, Mr Major yesterday told reporters covering his tour of Pakistan that he might yet hold out for a 1 May election. Mr Major said: "I am prepared to play it long, yes, of course I am pre-

pared to play it long." He said that while his party would, naturally, be ready for the election when he chose to call it, "We would prefer to have the election a little later. I suspect that we will... We wish to see the effects of our policies flow through."

He added: "I think when we get into the election campaign, when people begin to focus on the policies of the two parties, that is when they will ask serious questions. They will say, are things going right now and would they change if we changed government and changed policies?"

He said Labour's support was "quite wide but not very deep", and he said Labour had been in opposition for so long that they had become "so good at it they should stay there."

Ethnic vote for Tories so small that party has nothing to lose by chasing it

Anthony Bevins

The Government was yesterday accused of pandering to racism, while the Conservative Party was making strenuous efforts to woo the Asian vote.

Bill Morris, the general secretary of the transport workers' union TGWU, said in an appeal to the black community: "It is inconceivable to support a government which has so often pandered to racism, most recently with the notorious Asylum and Immigration Bill."

But he told *The Independent* that the big issue that had to be

addressed by all political parties - including Labour - was the opt-out from democracy, with an estimated 90 per cent of young black people not voting.

The Conservatives are nevertheless making a strong pitch for the Asian vote in the run-up to the next election.

Following his prolonged visit to the Indian subcontinent, John Major will on Saturday address a London rally to celebrate the 50th anniversary of Indian and Pakistani independence.

But Shamit Sagar, senior lecturer in politics at Queen Mary and Westfield College, London, and director of the ethnic minority side of the definitive British Election Studies, said

Tory support was so low among the Asian and Afro-Caribbean communities that the Conservatives had "nothing to lose".

Mr Sagar said the Labour lead among Asian and the Afro-Caribbean communities was overwhelming. Aggregate figures collated by MOR1 for 1995 put Labour ahead by 80 percentage points to 15 for the Conservatives, while the lead for the remaining ethnic minority community was even greater - with Labour ahead by 87 points to 8 for the Tories.

Mr Sagar was sceptical about suggestions that the ethnic minority vote could swing a number of marginal constituencies. But a 1992 election study

carried out by the Commission for Racial Equality said: "In at least three constituencies, a Conservative victory is attributable to ethnic-minority support."

In Edmonton (south London), Ian Twinn had a majority of 533 and this study suggests that 718 voters from ethnic-minority electors were placed for the Conservatives. For Tory Dicks in Hayes and Harlington the figures were 53 and 410, while for John Watts in Slough they were 514 and 867.

Mr Sagar, who is preparing a 1997 election comparison of the voting behaviour of black and white voters - the first time such an exercise has been

carried out, said there was no evidence that the ethnic minority vote could be mobilised to win or lose seats.

He described the suggestion that the ethnic minority vote could be used in that way as "a hollow threat".

As for the widespread view that Mr Major's visit to India, Bangladesh and Pakistan had to any degree been motivated by a push for the Asian vote, a Tory spokeswoman last night dismissed that as nonsense.

"I suppose," she said, "you will be saying that John Prescott's current visit to Hong Kong is a bid for the Chinese restaurant vote?"

Leading article, page 11



Shadow voters: Muslims at prayer in a mosque in Bradford, West Yorkshire

Photograph: Katz

Manchester airport to get second runway

Christian Wolmar
Westminster Correspondent

Ministers are set to give the go-ahead for the second runway at Manchester airport, allowing it to take up to 30 million passengers per year by 2005, double the present total.

The second runway was the subject of a 101-day public inquiry which ended last summer. The inspector's report, giving approval for the scheme, is expected to be published today.

Supporters of the new runway argued that it will create thousands of local jobs and is essential for the economic well-being of the area.

Nevertheless, it has been bitterly opposed by local community groups who claimed it would cause widespread environmental damage.

Jeff Gazzard, who lives under the flightpath and who is spokesman for the Manchester Airport Environment Network (Maen) said: "This will ruin our area. An ancient woodland, twenty houses, six of them listed, and a thousand acres of green-belt land are being sacrificed."

Mr Gazzard said that Maen would be looking closely at the report and would seek a judicial review in the High Court if there was any suspicion that procedures had not been properly followed.

The highly profitable airport is owned by a consortium of ten local authorities and the councils have resisted efforts by the Government to force them to privatise it.

Manchester airport is the

third largest in the United Kingdom, after Gatwick and Heathrow, and caters for charter and long-haul flights. The new two-mile runway will allow the number of take-offs and landings to increase from 41 per hour to a maximum of 68 to 70. It will cost £170m to build and will be a blow to nearby Liverpool which had hoped to expand its own airport as an alternative.

The Government approval will be accompanied by strict environmental conditions, but Mr Gazzard says that these are irrelevant. "We have lost the battle because we are 200 miles away from London," he said. "This would never be allowed in the south-east where Gatwick and Stansted have been protected from having second runways."

Blair calls on SNP to back devolution

Tony Blair last night challenged the Scottish National Party to "get off the fence" and say whether it would back Labour's devolution plans.

The Labour leader urged the SNP to make clear whether its supporters would fight for a "yes" vote in a referendum on a Scottish Parliament.

"It is time the SNP got off the fence," Mr Blair told the Scottish Labour group of MPs. "Here is the party that says it stands up for Scotland and yet is prepared to stand alongside the Tories in opposing our plans for a Scottish Parliament."

Mr Blair emphasised Labour's commitment to establishing a Scottish Parliament following a referendum.

Ban on deadly bull bars urged by MP

Fran Abrams
Political Correspondent

New moves to ban the use of bull bars on British roads were launched in Parliament yesterday by a Labour MP.

Paul Flynn, the member for Newport West, is making a second attempt to prevent the use of the bars, which are said to have been responsible for a number of deaths. Last year he introduced a similar Bill which ran out of time after being "talked out" by a minister.

Mr Flynn said the metal bars, used in Australia to protect cars from kangaroos, were of use in this country only to farmers and ram-raiders. Six per cent of deaths and a fifth of serious injuries caused by vehicles fitted

with them could be prevented if they were removed, he said.

The bars could also be dangerous to the driver of the vehicle, the MP added. "We know of a long, sad litany of casualties who have died because of what is a mancho fashion. There is no sensible reason to have the fronts of cars cluttered in that way," Mr Flynn told the house. Earlier, he held a press conference with Ann Bagges from Whitley, in Wiltshire, whose 10-year-old daughter Helen died after being hit by a Land Rover Discovery fitted with bull bars in July 1995.

Mr Flynn's Bill was given an unopposed first reading but will not become law without full Government support because of pressure on parliamentary time.

This little ad could make a big difference to your mortgage.

- It's easy to transfer.
- Our mortgage rate is 6.31% (6.5% APR variable).
- Call us now for more details.



0181 649 9099 0161 831 9099 0141 221 9099
LONDON MANCHESTER GLASGOW

CALL ANYTIME 8am to 8pm Monday to Friday and 9am to 5pm Saturday. Please quote ref. IND81

Subject to status. Life assurance to cover the loan and security required. Rates correct as 1/1/97. Subject to variation. Written quotations on request. YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT. Calls are recorded for your added security. Direct Line and the red phone are trademarks of Direct Line Insurance plc, used with its permission.



A CABLE & WIRELESS COMPANY

BT TO ITALY:

£1.48

MERCURY TO ITALY:

95p

(GO ON, KEEP THE CHANGE.)

You know what they say about looking after the pennies. Call Paris, Milan or Bonn and you'll save a lot more of them with Mercury SmartCall. We're still between 20% and 39% cheaper, for international calls. FreeCall 0500 500 366.

Mercury SmartCall

You don't have to be a genius to see how much you'll save.

Prices quoted to Italy based on a 5 minute economy call. Prices and savings correct as at 31 December 1996, compared with BT's basic rate for international calls of 5 minutes or more, 0pm-8am weekdays and any time at weekends. Savings available for a quarterly fee of £5.75 (inc. VAT). <http://www.mercury.co.uk>

سكنا من الاصل

How to get a doctor thoroughly plastered – in three easy stages



Paul Scarrow shivered in a leotard and hid his embarrassment behind a curtain, writes Esther Leach. Dr Scarrow, 37, a GP from Retford, Nottinghamshire, was preparing to have his whole body covered in moulding materials and



plaster to create a life-size glass-fibre model that will stand in an exhibit depicting a Victorian operating theatre in the new £5m Thackray Museum in Leeds. Karl Furre, of Karl Furre Figures and Design of York, is creating the model from the



castings which will then be fitted with glass eyes, a wig and costume. The modelling session was a prize in the BBC's Children in Need auction last year. The Scarrow family bid £2,650 for the privilege. Photographs: Steve Forrest

Accused tax man found comfort in prostitute

Graham Ball

Michael Alcock, the tax inspector accused of taking bribes from foreign businessmen, was close to tears as he told an Old Bailey jury yesterday how he turned to a prostitute as he struggled to cope with his wife's cancer.

Mr Alcock halted several times while giving his account of his mother's death from cancer in 1980, and his anguish when his wife was diagnosed as having the same disease eight years later.

He told how he and his wife, Sally, had nursed his mother for the last six weeks of her life and how this experience had affected them deeply.

When his wife's condition was identified, he said: "We knew too much, we'd been there, constantly, 24 hours a day and we had experienced her disintegration and death."

Mr Alcock went on to explain that his wife was in intense pain for two years and his seven-year-old son had nightmares, fearing his mother was about to die. He said that his way of dealing with the crisis was to spend freely without considering the consequences.

"I carried on spending. I didn't care what I spent. I thought I'd either extend or repay loans at the bank. That was the mood I was in," he said.

The prosecution has alleged that during this time Mr Alcock received bribes totalling £150,000 from businessmen who owed substantial sums to the Inland Revenue.

His barrister, Anthony Arlidge, QC, put the accusation to him. "The suggestion in this case is that you have received monies from taxpayers you have had contact with and that in some way you paid it into your account," said Mr Arlidge.

Galaxies found with a hole in the middle

Charles Arthur
Science Editor

Most galaxies in the universe are like a Polo mint: they have a hole in the middle, according to new research using the Hubble Space Telescope.

Unlike terrestrial sweets, though, the centre of galaxies is not empty space but a super-massive black hole, with a mass millions of times that of our Sun.

The results emerge from a study of 27 "nearby" galaxies by the orbiting observatory, and gives astronomers an important clue to how galaxies develop and age. Notably, the findings help to explain the phenomenon of quasars – incredibly powerful sources of energy which are observed in very young galaxies.



Moving house may pose asthma danger

Liz Hunt
Health Editor

Moving house may be a significant factor in the development of asthma and other allergic diseases, according to new research carried out in the Scottish Highlands where there is an unexpectedly high prevalence of wheezing.

Doctors at the Royal Northern Infirmary in Inverness say that increasing mobility of families in developed countries may have contributed to the dramatic rise in the prevalence of asthma in children.

They suggest that exposure to new environmental allergens – the molecules that trigger an allergic reaction – in a new house, or another factor involved in moving house, may be a risk factor for the disease, and more significant than pollution, central heating, or other previously identified factors.



The Friends Provident Stewardship PEP seeks to avoid investment in companies that harm people, wildlife or our world.



Instead, it seeks to invest in companies that deliver positive benefits to society.

WOULDN'T YOU RATHER HAVE PROFIT WITH PRINCIPLES?

The Friends Provident Stewardship PEP

The Friends Provident Stewardship PEP aims to invest in companies that make a positive contribution to the world we live in.

And to avoid companies whose business practices could be harmful to the planet and its people.

Yet this needn't mean avoiding a decent profit.

Over the past 5 years, Stewardship has out-performed the average return for all unit trusts, ethical or not.

Just the kind of performance you would expect from Friends Provident, the UK's leading ethical investment company, which manages around £700 million of ethical investments.

93%

Profit – Tax Free
Five year returns out-perform the average for all unit trusts.

Get on the Blue Line now, direct to Friends Provident.

The Blue Line is the fast no-hassle way to get the information you need about this product over the phone to help you make an informed decision.

You'll deal with friendly qualified people who will talk to you in clear

straightforward language.

Call 0800 00 00 80 now, or contact your financial adviser, and you'll find that your principles needn't stop you making a profit.

The plus points of profit with principles

- Proven track record with good growth prospects.
- All profits are tax-free.
- Invest a lump sum (minimum £1,000) or monthly payments of £50 or more.
- Managed by the UK's leading ethical investment company.
- Investment in successful companies which are helping rather than harming the world.

Get on the Blue Line



We're here to take your call 8 to 8 Weekdays. 10 to 4 Weekends.

FRIENDS PROVIDENT

FRIENDS PROVIDENT THE BLUE LINE LIMITED IS A REPRESENTATIVE ONLY OF THE FRIENDS PROVIDENT MARKETING GROUP WHICH IS REGULATED BY THE PERSONAL INVESTMENT AUTHORITY. THE VALUE OF A UNIT TRUST, AND ANY INCOME FROM IT, IS NOT GUARANTEED AND CAN GO UP AND DOWN DEPENDING ON INVESTMENT PERFORMANCE. PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO THE FUTURE. FULL TERMS AND CONDITIONS ARE AVAILABLE ON REQUEST. TAX LEGISLATION MAY CHANGE. *BASED ON THE PERFORMANCE OF THE STEWARDSHIP UNIT TRUST OVER 5 YEARS TO THE 30TH DECEMBER 1996. ALL FIGURES ON AN OFFER TO BID BASIS WITH GROSS INCOME REINVESTED. SOURCE: MICROPAL.

international

Cyprus: Fears of armed conflict counter American optimism

Turkish anger grows at Russia missile deal

Christopher Bellamy
Defence Correspondent

Russia should back out of its deal to sell advanced surface-to-air missiles to the Greek republic of Cyprus in order to avoid inflaming the eastern Mediterranean, and the United Nations should impose an immediate arms embargo on all further weapons supplies to the island, Turkey's ambassador to Britain told *The Independent* yesterday.

He repeated earlier Turkish threats that if the missiles were installed the Turks would destroy them. Senior British government sources expressed grave concern about the situation which could lead to more than a war of words between Greece and Turkey - both members of the North Atlantic alliance.

The British sources said they wanted "confidence building measures" - shared channels of communication - between

Greece and Turkey to reduce the risk of a shooting war. "It would not be responsible to allow these two allies to be drawn into conflict on the basis of a spur-of-the-moment decision by a Second Lieutenant" [the most junior officer], the government source said.

Speaking to *The Independent*, the Turkish ambassador, Ozdem Sanberk, agreed. He said improved links between Greece and Turkey would inevitably filter down to opposing forces on the island - the most heavily militarised place in Europe.

Turkey has been enraged by the signature on 4 January of a deal to buy the Russian missiles, in what Mr Sanberk said was a "flagrant breach" of UN Security Council Resolution 1092 of 23 December, which expressed "grave concern about the excessive levels of military forces and arms in the Republic of Cyprus" - fingering the Greeks, not the Turks. The Russian S-300 missiles, known to NATO

as SA-10s, codenamed "Grumble", are similar to United States Patriots, and also have a limited ability to shoot down incoming ballistic missiles.

They can fire out to 90 miles and hit aircraft up to an altitude of 88,000ft, so they could easily bring down Turkish warplanes or even airliners carrying tourists to Turkey's southern coast. But what really worries the Turks is that the missiles can be converted to carry chemical or biological warheads, and he exploded high over a city.

"I don't know why they want them," said Mr Sanberk. "Russia has a responsibility as a member of the Security Council. The Russians shouldn't have sold them these things."

A Russian official visited Cyprus to sign the deal on 4 January. The Turks say the Greek Cypriots are spending \$2m (£1.2m) a day on arms and had recently bought 40 Russian T-80 tanks. They apparently want the Russian missiles to defend a

new air and naval base being built at Paphos. Until now, Turkey has enjoyed virtually unchallenged air superiority over the island.

Mr Sanberk said he supported the establishment of new ties between Greece and Turkey, which at the moment can only communicate through NATO. Greece is a full member of the European Union and the Western European Union defence pact; Turkey is not.

Mr Sanberk told *The Independent* that Turkey needed to join the European Union to sort out the Cyprus problem. "NATO has only one dimension - security. The EU is multi-dimensional," he said. He said he favoured a Bosnian-style solution, with two distinct entities to preserve the distinct cultural identities and interests of Greeks and Turks, but some form of joint presidency over the whole island.

"There is only one way," he said, "to live side by side but separately in one island".

Commentators, page 13

US 'success' heads for failure

Tony Barber
Europe Editor

The United States claimed success yesterday in reducing military tensions between the Greek and Turkish communities of Cyprus, but the island's Greek Cypriot-led government said it was premature to talk of a breakthrough.

Speaking after talks in Athens with Greek officials, a special US envoy, Carey Cavanaugh, said there was no longer a crisis on Cyprus and that Greek-Turkish tensions were under control for the moment.

"The purpose of my trip to the region was to, as much as possible, reduce tension that really soared this year," Mr Cavanaugh said. During earlier talks in Nicosia, he had formed the impression that the Cyprus government would not implement its threat to deploy Russian anti-aircraft missiles.



President Glafcos Clerides: 'No new agreement'

Mr Cavanaugh said that he had received Greek and Turkish Cypriot promises of full support for measures to reduce tensions along the United Nations-patrolled buffer zone dividing Cyprus. These include the unloading of live ammunition

from sentries' weapons along either side of the 110-mile ceasefire line, the unarming of forward positions and the acceptance of a code of conduct for soldiers.

Agreement on such relatively marginal issues might ease tensions that developed after the Cyprus government announced its planned missile purchase and Turkey threatened a military strike in response. Mistrust was already running high on Cyprus after several people were killed along the UN buffer zone last summer in the worst violence since the 1974 Turkish invasion and occupation of northern Cyprus.

The Greek Cypriots seemed surprised that Mr Cavanaugh had declared his diplomatic intervention a success. "There has not been any agreement other than that which was already in place, that the military dialogue would continue based

on what is stipulated in the relevant resolution of the United Nations," President Glafcos Clerides said.

The dispute is not one part of a bigger picture that shows a seemingly intractable deterioration in relations between NATO allies Greece and Turkey.

Turkey's Islamist Prime Minister, Necmettin Erbakan, taunted Greece and the Greek Cypriots yesterday by reminding them of their sufferings at Turkish hands during previous wars in this century. "The Greeks know us very well and have experience on this subject. They saw the results of what they tried to do in 1922 and 1974, and I hope history does not repeat itself," he said.

Mr Cavanaugh, who visits Ankara today, stressed that Mr Clerides had assured him that "not a single component" of the Russian missiles would arrive on Cyprus in the next 16 months.



Gum law: Israeli police evict a Bedouin from a camp near Jerusalem to make way for a Jewish settlement

Photograph: AP

Midnight meeting raises hope of Hebron solution

Patrick Cockburn
Jerusalem

Benjamin Netanyahu, the Israeli Prime Minister, and Yasser Arafat, the Palestinian leader, were scheduled to meet at the Erez crossing point into Gaza at midnight last night to iron out remaining differences preventing an agreement for Israel to withdraw immediately from Hebron and set a date for a partial pull-out from the West Bank.

"The main substantive issues have been resolved," said Nicholas Burns, the US State Department spokesman, in Washington. "Only a few minor details are left. Exceedingly minor."

Israeli and Palestinian negotiators were more cautious, saying some problems still need to be resolved, but the main features of the long-delayed accord are now in place.

Under the agreement Israeli troops will almost immediately withdraw from most of Hebron, a Palestinian town with a population of 120,000 in the centre of which live 52 Jewish families. To protect them Hebron will be partitioned, with 20

per cent of the city remaining under Israeli control. This part of the accord is little different from that signed by the last Israeli government in 1995.

Under a further part of the

Mr Arafat's refusal to make an agreement over Hebron alone appears to have paid off

accord, brokered by King Hussein of Jordan at the weekend, Israel has promised to redeploy its troops on the West Bank and evacuate Palestinian villages in three stages, completing the withdrawal by 31 August 1998. This is a year later than agreed in the original Oslo Two accords, signed in 1995.

Despite agreement on a date for the Israeli withdrawal there is no understanding about the extent of the territory where Is-

raeli is to cede control. Mr Arafat expects some 90 per cent of the West Bank, but Mr Netanyahu says Israel may only withdraw from half, refusing to give up the Jordan valley, the desert east of Jerusalem and other "specified military locations".

Vagueness about the extent of Israeli redeployment sets the scene for future political crises.

But more immediately the Israeli and Palestinian leaders will have to resolve other issues still in dispute, including extradition to Israel of Palestinians who have killed Israelis, veto over appointments in the Palestinian police in Hebron and amendments to the Palestinian covenant, which Israel says still calls for the destruction of Israel.

Also to be addressed in the accord are Palestinian demands for the opening of a passage between Gaza and the West Bank, release of prisoners and the Palestinian airport being built at Gaza.

Mr Netanyahu and his advisers are saying that future redeployment hinges on the Palestinians fulfilling their part of the agreement. Such is the

distrust between the two sides that the US is to issue guarantees that the two sides will meet their commitments.

Mr Netanyahu is manoeuvring to persuade his cabinet to vote for the agreement which requires him to demonstrate that he has improved on the 1995 terms negotiated by the Labour government voted out of office last May. Seven out of 18 ministers are said to oppose the deal, but it is expected to go through because it has majority in the Knesset (parliament), where it will be supported by the left and Israeli-Arabs.

From Mr Arafat's point of view his strategy of refusing to make an agreement on Hebron alone, but to demand dates for further Israeli redeployment from the villages, where 900,000 out of 1.3 million Palestinians on the West Bank live, appears to have paid off.

He is also on the verge of getting a grudging commitment from a right-wing Israeli government to give up land on the West Bank, which many of its members see as the Land of Israel, the land God gave to the Jews.

Serbs party in the snow all night to mark end of Milosevic ice age

Steve Crawshaw
Belgrade

Through parted net curtains in the darkened offices of President Slobodan Milosevic, two men stood gazing out the streets of Belgrade in the early hours of yesterday morning.

On those streets, hundreds of thousands had come to celebrate Serbian New Year with a joyful condemnation of the Milosevic regime.

It seemed logical to expect that the two government employees would disapprove of such lack of respect. But in Belgrade the spirit of rebellion is infectious. With scant loyalty to their boss, the two men gave a thumbs up to the demonstrators, whose main demand has been the recognition of opposition election victories in November, and whose main desire is the fall of Mr Milosevic himself.

Even policemen seem eager to change sides. One of the few on duty yesterday suggested his heart was with the demonstrators: "I would be glad to tell you what I think - but I don't dare."

In a sense, it was the party to end all parties. No sign of drugs, and little alcohol. Just a celebration, where hundreds of thousands seemed intoxi-

cated by the possibility of change. As one headline put it: "Happy New Serbia." Or, in the words of the liberal daily *Nasa Borba*: "The energy which astonished the world."

Long before midnight on Monday night, it was well nigh impossible to move near Republic Square, venue for Serbia's best-known actors and musicians were due to appear, to see in the New Year according to the Orthodox Church calendar.

The streets were thronged with an estimated half million Serbs, who together created a deafening cacophony of little plastic whistles, signifying "game over!" for Mr Milosevic. But despite the exploding firecrackers the gathering passed off peacefully. In the official media, the event was passed over in near silence. But the reality could not be ignored: this is the beginning of something different for Serbia.

This was a brighter, more cheerful Belgrade than has been seen in recent years. The jubilation did not come from victory. Yesterday's key retreat, when the opposition's election victories in the cities of Belgrade and Nis were acknowledged, came hours after the partying protesters had gone to bed. It came from self-confidence: the

belief in Belgrade that though muddy snow lies roundabout, the political ice age is over.

Jelena Venci, 22, a student, said: "Now we've got a new spirit. I think about my future. I can be a scientist anywhere in the world. But I think Serbian society is changing, and I want to stay here." Nikola Urošević, 38, an electrical engineer, insisted: "It has to be a happy new year. Any change will be for the better. This fool has to go."

"Forces of chaos and madness," says a favourite demonstrators' badge, mocking official accusations. In reality, the chaos and madness seem to emanate from the government. Gordana

Markovic, a dentist in her fifties, said: "If you had asked me two months ago, I would have said it's impossible [for so many people to come together in opposition to the government]. But now there's no fear."

Dragan, a chemical engineer, said: "I can hold my head up. After all these years, I can say: 'I'm proud to be a Serb'."

But few of the students have much time for the organised opposition. On Monday night, Vuk Draskovic, an opposition leader with a nationalist past, attacked students as "idiots". Apparently they were failing to acknowledge the leading role of those like Mr Draskovic.

HOUSE INSURANCE

SAVE UP TO 50% OR MORE
e.g. LONDON & HOME COUNTIES
£100,000 Buildings Sum Insured
Premium Only £154.00

LOWER Premiums in most Other Areas
0345 123111
All calls charged at local rate

Ask for a quote on the Internet: <http://www.hhh.co.uk>

Hill House Hammond
Cutting The Cost Of Your Insurance

SEE IT, HEAR IT, EXPERIENCE IT!

BRILLIANT

Packin' 'em in

Wonderful

Fantastic

Superb

Get the MMX™ experience with Gateway's fantastic P6-166 Internet PC, which has an Intel® Pentium® processor with the hottest new MMX technology. Enjoy superb power and performance and experience the most realistic video, unbelievably brilliant graphics and impressive sound in all your multimedia applications. Call Gateway 2000® for the best of all possible worlds.

From modest beginnings in the American Midwest, we've grown to be a Fortune 500 company with an exceptional international reputation and one of the world's leading direct marketers of personal computers. We're proud to give you award-winning service and support, including:

- Free telephone support on all your hardware and software for as long as you own your PC.
- A 30-day no quibble money-back guarantee (shipping costs not refundable) plus Gateway 2000 warranties.

Ring our friendly sales team for advice and information. Or call in to our Showroom at 10 Bedford Street, Covent Garden, London WC2E 9HE. You won't regret your choice!

Showroom Hours of Business:
12.30 pm - 6.30 pm Mondays
9.30 am - 6.30 pm Tuesday - Friday
10.00 am - 4.00 pm Saturdays
Closed Sundays and Bank Holidays

P5-166 INTERNET

- Intel® 166MHz Pentium Processor with MMX™ Technology
- 16MB High Performance SDRAM
- 256K Pipeline Burst Cache
- 3.5" Floppy Disk Drive
- Microsoft 12X CD-ROM
- Western Digital® 2.5GB EIDE Hard Drive
- Integrated Creative Labs® FM Sound Card with Active™ Surround 4084 Speakers
- Integrated ATI® 3D 2MB SGRAM Graphics Accelerator
- RealVox™ 33.6K Data/Fax/Voice Modem
- 15" CrystalScan™ Monitor
- Docking Mini Tower Case
- Microsoft® Windows® 95 125 AnyKey™ Programmable Keyboard
- Microsoft Windows 95
- Microsoft Generation Software Bundle
- Game Bundle
- Internet Software Bundle
- 3 Year Limited Warranty

£1399 (£1677.90 inc. VAT & Delivery)

GATEWAY2000
"We're not a company, we're a way of life."

0800 39 2000
<http://www.gw2k.co.uk>

Gateway 2000, Clonsilla Industrial Estate, Dublin 17, Ireland.

صكنا من الامم

international

US capital pays for its \$4bn rescue

Rupert Cornwell
Washington

President Bill Clinton yesterday unveiled a \$4bn (£2.4bn) five-year rescue package for Washington DC, which at last offers a real prospect of recovery for the battered US capital - but effectively destroys any lingering hopes of it becoming the 51st state of the Union.

The plan, to be submitted as part of the 1998 federal budget, fulfils Mr Clinton's promise of speedy aid for a city which has lurched from crisis to crisis over the past five years. It was quickly supported by Mayor Marion Barry and most municipal leaders, and is broadly in line with steps advocated by the Speaker, Newt Gingrich, which can only raise the chances of approval by the Republican Congress.

The scheme is essentially a trade-off. The federal government will end its \$660m annual grant to the District of Columbia. In return it will take over the massively underfunded \$5bn pension scheme for DC employees, as well as the city's prison system, and most of its health care responsibilities to the poor, and spend \$1.4bn on Washington's decrepit roads and infrastructure. In all, say White House officials, a modest \$339m will be added to the federal budget deficit between 1998 and 2003.

The announcement has been timed to coincide with Mr Clinton's second inauguration next Monday, when America and the world will see the familiar Washington of broad avenues, gleaming public buildings and some of the most handsome urban vistas on earth.

A few blocks away, however, lurks the other Washington, a case study in the problems of America's decaying, predominantly black, inner cities. Thus

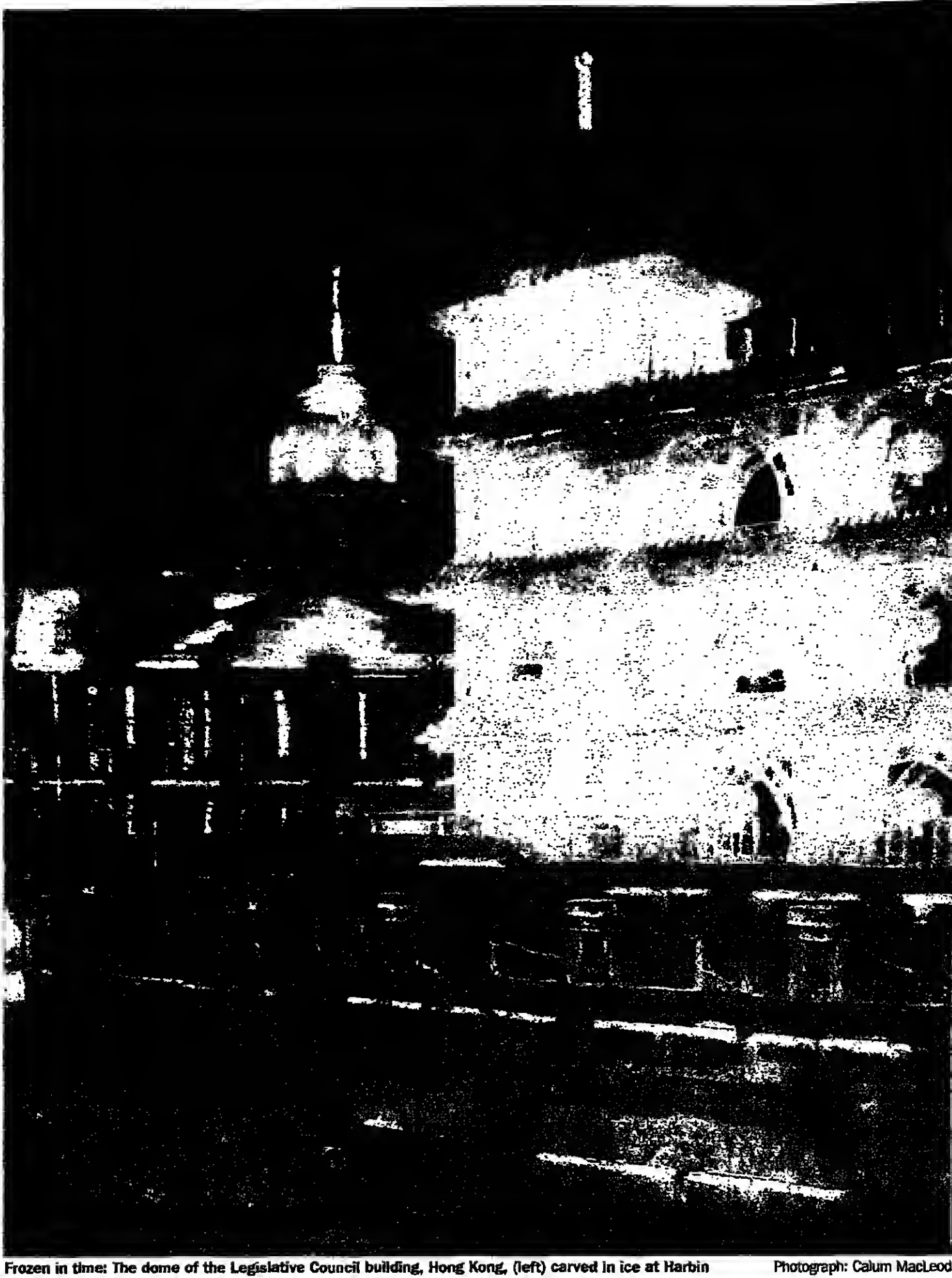
far this decade alone, 50,000 people - a tenth of its population - have fled to suburban Maryland and Virginia, further eroding a shrinking tax base.

A financial control board imposed by Congress to take over management of the city from Mr Barry is struggling to correct a 1996 budget deficit of \$90m. In the first 13 days of 1997, 19 people were murdered in the District. A headline in yesterday's *Washington Post* proclaimed that DC's infant mortality rate had fallen to a record low of 16 per 1,000 live births. That is still double the national average.

If the plan works, the haemorrhage of people and businesses will be staunchened and perhaps reversed. Meanwhile, the federal government's relationship to the capital will be placed on the same footing as a state's to a large city, of Illinois to Chicago, or of Colorado to Denver. In practice however, Washington's limited autonomy will be even more circumscribed.

Before financial difficulties became overwhelming in the early 1990s, the city had dreamed of extending the "home rule" it achieved in 1974 into full statehood as New Columbia, electing its own US senators and congressman. Then came economic downturn, the Barry drug debacle, his subsequent re-election as Mayor, and an ever-accelerating flight to the suburbs.

The White House plan would place many city services under direct control of federal agencies and still leave Congress with ultimate authority for the city budget - seen by many local residents as an injustice comparable to the "no taxation without representation" outcry that boiled over in the war for independence from Britain in 1776.



Frozen in time: The dome of the Legislative Council building, Hong Kong, (left) carved in ice at Harbin

Photograph: Calum MacLeod

Hong Kong ice palace melts into the mists of history

Teresa Poole
Peking

Hong Kong's Legislative Council building is doomed. Months before China regains sovereignty, this symbol of Hong Kong's fragile democracy is going to start shrinking before people's eyes. By the time the first spring flowers appear, the colonial monument will be no more than a puddle on the ground. In Harbin, that is.

In this far north-eastern Chinese city it will not be a case of dissolving parliament, but of simply letting it melt. For the showpiece this year at Harbin's annual ice-sculpture festival is the Hong Kong exhibit, complete with huge frozen replica of the dome-roofed council, a floating sea-food restaurant, and the Bank of China spire. There is even an icy version of a bustling downtown street. But visitors here are bundled up against the cold, rather than expiring from the humidity. Every night, thousands of visiting Chinese jostle to take photographs next to a countdown clock which is ticking away the days to 30 June when Hong Kong reverts to China.

Situated 250 miles from Russia, with temperatures falling to -30C for some months of the year, Harbin depends on the ice fair to attract tourists.

The festival was launched in 1963, but three years later it was halted by the Cultural Revolution. It was only when Maoism gave way to reform that ice festivals again became politically correct.

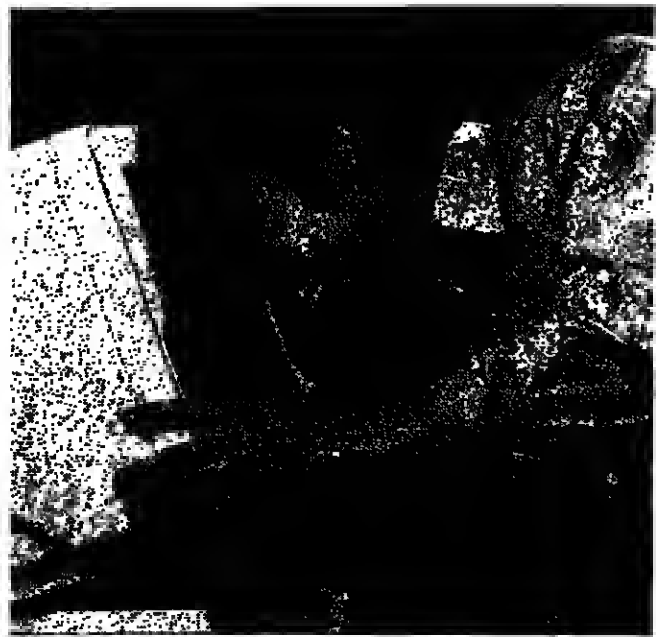
This year, some 20,000 square metres of ice were cut from the city's frozen Songhua river and 4,000 workers toiled for three weeks to build the fantasy park. The tallest ice buildings top 60 feet, and the Hong Kong exhibition is just one of 10 themed gardens. The festival is due to finish on 21 February, the first full moon of the Chinese New Year.

For the uninitiated, it can come as a surprise that the ice sculptures are not glistening white. Instead, bores are drilled through the ice and brightly coloured lights placed inside. When night falls, a switch lights up a fairytale of "ice lanterns".

Hong Kong-related sculptures have done well this year. A Swiss team won the international section, with an exhibit called "Return to Prosperity", about the transfer of sovereignty. And Harbin's own sculptors took the domestic prize for "The 1997 Swan Comes Back" depicting - you can guess -

Clarke's cuts
are no way to
help homeless

No...they don't come with airbags

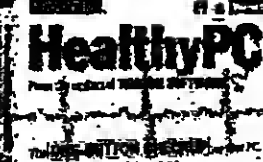


PC problems driving you mad?

Then welcome to three solutions that will lower your blood pressure.

Want regular check-ups?

Get a one-button safety check-up for your PC. HealthyPC checks for viruses and defragments your hard disk to speed up and protect your computer.



Need a helping hand?

PC Handyman continuously monitors your PC, automatically fixing thousands of computer problems as they occur. If you run into difficulties with a printer, modem or other device, just type in your problem. PC Handyman also shows you multi-media videos to help you understand more about your computer, and how to keep it in perfect running order.

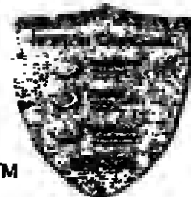


Be your own expert.

Norton Utilities helps you resolve software conflicts, scans for viruses, recovers accidentally crashed files and retrieves lost files. Got a system failure? The Rescue Doctor will put you back on the road to recovery. Hard Disk problems? Let the Disk Doctor step in. Now you can see why Norton Utilities is the experts choice for solving PC problems!



FREE
NORTON CrashGuard™



Call our web site at
www.symantec.com/family01.html
and download your FREE copy of Norton CrashGuard Now!

SYMANTEC

The makers of Norton Software

Available from

PC WORLD • SOFTWARE WAREHOUSE • ACTION

0999 464464

01675 466467

0800 333333

and all good computer retailers and resellers

Holocaust returns to haunt German television

Imre Karacs
Bonn

The collective memory is dredged up one more time by faded black-and-white images flickering on the screens, as millions of viewers sit glued to their television sets hoping not to catch a glimpse of a familiar face. The Holocaust is back.

Contrary to perceptions abroad, Germans cannot get enough of "ze war", but now relief is at hand. A six-part series entitled *Hitler's Helpers* kicked off on the second public channel last night, promising an exhaustive dissection of the Führer's most loyal boot-lickers.

It has been done before, but the latest block-buster, unlike all previous ones except a major series on Hitler himself, is German. "British and American television producers must not be allowed to dominate the business of depicting German history and its most sensitive period," says Guido Knopp, the director. "This is our own history, its dissemination is our duty."

Apart from the Eighties soap opera *Holocaust*, the most successful series at the Nazi era have been foreign ones. *Schindler's List* remains the most memorable treatment of the period on the big screen.

German historical research has only recently started catching up with academics working abroad. Last year, the American scholar Daniel Goldhagen caused a storm with a book that accused the entire German nation of acting as "Hitler's willing executioners".

Mr Knopp has plans for a further series that will address the ultimate question of collective guilt. In the next two years, historians in Germany and Jerusalem are to sift through hundreds of thousands of secret Nazi documents for his next project, which seeks to establish how many Germans were mass murderers. "Goldhagen asked the right questions but gave the wrong answers," he says.

French unions fight for early retirement

Mary Dejevsky
Paris

French trade unions yesterday accused the government and employers of hypocrisy after a succession of senior politicians warned that reducing the retirement age to 55 was out of the question. So many people in their 50s were being given early retirement to suit state employers and big business, the unions said, that there was no reason not to introduce retirement at 55 for all.

The demand for earlier retirement is part of a trade union campaign for improved social benefits which, they argue, could also increase the number of jobs for young people. Despite a multiplicity of government schemes, France's unemployment rate, at 12.7 per cent, remains one of the highest in Europe, and one in four people under 25 has no job.

In what was seen by many as the thin end of a very big wedge, French lorry drivers won the possibility of retiring at the age of 55 from their two-week strike last year. Now the unions are seeking to build on this victory, encouraged by public concern in France about the unemployment level and unalloyed enthusiasm for the idea of a longer retirement.

At the end of last week, five unions called a national transport strike for 24 January in support of a demand for retirement at 55 for all transport workers. Train drivers already enjoy this condition; according to the strike settlement reached in December, lorry drivers will qualify for it after 20 years on the road. So it is local transport workers, including bus, tram and metro drivers, who are expected to spearhead the strike.

Although there were several local transport strikes through the autumn and most had only a limited impact, the government decided this time to take the initiative. Over the weekend, it launched a barrage of public statements rejecting the idea of retirement at 55 for all.

President Jacques Chirac himself released the first volley, telling an audience in his local

region of Corrèze that, while he understood the popular desire to retire earlier, "France cannot ignore economic and demographic realities". Two former



Alain Juppé: 'No question of government bending'

Prime Ministers then weighed in, Edouard Balladur and Raymond Barre, who said the claim was "a very dangerous trend for the future" and urged the government "to hold the line".

The current Prime Minister, Alain Juppé, said that retire-

ment at 55 was "not possible financially" and that there was "no question of the government bending". Only those who worked more than 39 hours a week, he said, could have any claim to retire at 55.

Even the opposition Socialists and left-of-centre press seemed scared that retirement at 55 could become a popular rallying cry. The newspaper *Libération* called it a "simpleton's utopia", while several MPs not known as moderates warned that retirement at 55 could "not become a general rule".

Behind the politicians' statements lies the recognition that France's state pension system is in enough difficulty already without a new increase in the number of pensioners. Currently, employees' contributions are used to pay directly for the pensions of those already retired and several sectors are running short of money. A system of pension funds, and the possibility of private top-up pensions, is to be introduced, but there is a deep public suspicion of any change.

Direct Line Instant Access Account

UP TO **5.75%** GROSS.
Small space.
Big savings rate.

Balance	Annual Gross Rate
£500-£4,999	4.50%
£5,000-£9,999	4.75%
£10,000-£24,999	5.00%
£25,000-£49,999	5.25%
£50,000+	5.75%

All rates are correct as 9th January 1997.

Call one of the numbers below for high interest with instant access:

0181 667 1121 0161 833 1121 0141 221 1121

LONDON MANCHESTER GLASGOW

CALL ANYTIME 8am to 8pm Monday to Friday and 9am to 5pm Saturday. Please quote ref. IND30

Calls are recorded for your added security. Direct Line and the red telephone are trademarks of Direct Line Insurance plc. used with its permission. Rates subject to variation.



DIRECT LINE

صحنه من الامل

A silly hat but a sophisticated message

Yesterday's pictures of John Major in a funny hat on the Hindu Kush are not going to win him a nomination for the milliners' Brit awards. His official talks in Delhi and Islamabad were hardly the stuff of high foreign policy. Yet there is something to be said for the modesty of Mr Major's demeanour on such trips abroad. This year, especially, the 50th anniversary of the end of the Raj, is a good one for a display of British prime ministerial humility in the sub-continent. But the Prime Minister was wearing his silly hat for a purpose, and a domestic political purpose at that. That hat was meant to say something reassuring about the relationship of the modern Tory party and Britain's south Asians.

The message can also be read in recent speeches and party political advertising. What it is intended to say, more or less, is that you (Asians) belong to us (Tories): Asian values are Tory values. Together we enthuse over economic aspiration based upon individual acquisitiveness, the desire to move on and up, but we don't forget respect for family and traditional sources of authority. Of course this is a gross caricature. There is no such thing as "Asian val-

ues". People in Southall of Sikh descent think and live very differently from Bradfordians of Bengali origin - and both tend to vote Labour anyway. The Tory appeal is aspirational, designed to appeal to younger, professional British Asians in the suburbs.

It will not win the election: Asian votes are unlikely to make much difference to the fates of Tory candidates in any but a small handful of seats. But there is something admirable about what the Tories are doing. They are being explicit about their view of the politics of race - saying, in effect, that identification by ethnicity may be less important than the conventional lines of political difference, which are material interest mixed up with related attitudes and values. In that way it seems rational for Conservatives, supporters of ownership and enterprise and liberal economics, to appeal to middle-class people who happen to be Asian.

Still, let's not get carried away. Today's Alf Garnett, if he votes at all, also votes Tory. Young Asian businessmen and women may be welcome as Tory voters but they are not yet being welcomed into the suburban golf clubs where the local Tory



party chairman goes to play. Were the Reigate Conservative Association finally to ditch Sir George Gardiner it is hard to believe that an Asian would be invited to succeed him. Party leaders were able to make John Taylor into a peer but they failed to persuade the local party to choose him as the party's standard-bearer in Cheltenham. It does not take a long political memory to recall which well-known Tory prime minister made concerted efforts to wind up the Commission for Racial Equality - a body which,

in spite of everything, continues to do effective work fighting discrimination. Nevertheless, the Tories' pitch to the ethnic minorities is essentially right. It is an invitation to join a common front. What matters is not whether the Tory offer is sincere, nor even whether such values as acquisitiveness and family authority are compatible. It conveys a sense of political and social progress which must, in principle, be attractive to all those dissatisfied with their position, who want to move on and up.

Labour, by contrast, seems less sure-footed. The excesses of the left in the Eighties have left the party vulnerable to the impression that Labour associates more easily with the idea of ethnic minorities as victims, casualties, people stuck outside the mainstream, thereby placing the party outside the aspirations for improvement which are as natural to black and Asian people as to any other.

The extravagances of "multiculturalism", which too often became a set of excuses for failure to progress, were never as widespread as Labour's enemies made out. Tony Blair's rhetoric is inclusive and achievement-oriented. Labour ought to be able to present itself to, for example, those many African-Caribbean parents dismayed by their children's educational performance.

The coming election will not place colour, race, or even policy for the ethnic minorities as dominant issues. Is that a depressing sign for race relations? Not at all. The only really depressing sign is that large numbers of African-Caribbeans (in particular) have not registered to vote at all. Whatever else is going on, that must represent a feeling among many that they have no stake in mainstream society, either because they have

been penalised by educational underachievement, or by unjust exclusion from jobs. If the Tory appeal succeeds in convincing Asians and other ethnic minorities that they have a stake, or at least a right to bid for one, then that will be a step towards a more sophisticated understanding of politics and race in Britain.

A bargain? No, it's a banana

Something for nothing? Not quite. When Phil Calcott calculated that Tesco was paying him 8p for every 3lb of bananas he took away, he figured he "couldn't lose". He thought that after buying £942 worth of bananas he was £25.12 better off. But add on Mr Calcott's trips to the supermarket to pick up the bananas, the petrol used ferrying them to and fro and the hours spent standing in a Worcester street giving them away to bemused and reluctant shoppers. That's at least eight hours' work plus expenses, all for 25 quid. Great gesture, but we think Phil conned himself. There is, after all, no such thing as a free lunch.

LETTERS TO THE EDITOR

Clarke's cuts are no way to help homeless

Sir: While I broadly agree with Andreas Whitam-Smith's comments on homelessness ("At last, homeless people find a place on the agenda", 13 Jan), he omits to mention one critical factor in shaping current housing provision: in last year's Budget, housing did find a place at the top of Kenneth Clarke's agenda - for cuts. As a result, the National Housing Federation estimates that the Government will not even come close to building the modest 60,000 new social lettings planned for 1997 - there will be a shortfall of 26,000 affordable homes for rent.

This myopic move, so typical of a government which sees housing as a safe area in which to trim public spending, will have a doubly damaging effect. Not only will more vulnerable people be unable to secure a long-term tenancy, but these same people will create more of a drain on housing benefit - by close on £11m a year, according to DSS estimates.

So, predictably, this supposed "saving" adds up to more deprivation for the homeless and a waste of precious benefit resources.

DIANA MADDOCK MP
Liberal Democrat spokeswoman for Housing
House of Commons
London SW1

Sir: "Every time we go and check we find they [the homeless] won't go in hostels" - Home Office minister David Maclean (report, 11 January).

The reason so many homeless reject hostels in preference to sleeping rough is because in ever more hostels today the homeless individual, as a condition of staying in the hostel, is forced to see a psychiatrist, who after a very brief interview diagnoses, as often as not, mental illness - a stigma for life - and prescribes tranquillisers of one sort or another, which have to be taken as a condition of accepting shelter, rehousing etc.

For many of the homeless it is an unacceptable deal.
ADAM BLUE
Carlisle, Cumbria
The writer was once homeless

Sir: Homeless people and beggars are not necessarily synonymous. ("Hey Jimmy: heard about the minister who thinks most beggars are Scots?", 11 January)

However, those homeless people using our Cold Weather Shelter last week were as follows: almost 80 per cent were male, with the same percentage having slept rough on the night before moving in. Almost one in five was aged over 50, with the predominant group in their mid-thirties. More than a quarter were "local". Scots represented only 6 per cent (the same percentage as Asian and Irish), less than both Black British and European.

These statistics are freely available from agencies working with homeless people. Indeed the Cold Weather Shelters are government-funded, so by implication it is the Government which assists us in keeping the details. It is a pity therefore that government ministers cannot quote facts.

CHERYL ST CLAIR
Director
Providence Row
London E1



All in a flap over wind theory

Sir: The letter by Andrew Cosgrave ("Wind turbines a threat to climate", 13 January) had me very worried until I realised that your staff must have made a mistake: it was meant to be published on 1 April. If I am not mistaken, please advise and I will stop my grandchildren from browning bits of paper with a magnifying glass; such interference may also affect the climate. Or would that produce global cooling, something which is desirable?

ANDREW SEAGER
Whitchurch, Oxfordshire

Sir: Andrew Cosgrave shows a common misunderstanding of chaos theory. Environmental change is caused by global effects, not local ones. Similarly, an avalanche is caused by the weight of snow. It has chaotic unpredictability because one does not know when or where the avalanche will happen. It could be set off by the flap of a butterfly's wing.
PETE TURLAND
Leicester

Sir: Most discussion of renewable (non-fossil) energy sources (Letters, 9, 13 January) seems to limit itself to - variable and unpredictable - wind-power. Why no discussion of harnessing utterly regular and predictable tidal power?
STEPHEN PALFREY
Richmond, Surrey

Anglo-Saxons beat the Welsh

Sir: Dr Andrew Breeze (report, 11 January) may or may not be right about Gwynllwyn ferch Gruffudd's authorship of *The Four Branches of the Mabinogi* (I have my doubts about his arguments to date), but either way she is still not "Britain's earliest known woman writer". That claim may belong to any of five Anglo-Saxon women who composed letters (then a literary genre in its own right) to St Boniface in the eighth century (*Elfrida*, *Egbert*, *Eangyth*, *Bugga* and *Lioba*), or to another nun, Berthwyth, who wrote letters and poetry to her distant brother, or to Huguette, abbess of Heidenheim in Germany, who wrote saints' lives in the 770s. Peter Dronke has studied the work of these women in *Women Writers of the Middle Ages*, and while their Latin is not as much fun to read as *Mabinogi*, it is well-crafted writing and worthy of notice.
DR THOMAS OWEN CLANCY
University of Glasgow

HAL's birthday

Sir: I have just read the article "Arthur C Clarke's brainchild" (*Network*, 13 January). Sunday, 12 January is claimed to be the day that HAL, the intelligent computer, "became operational" in the film/book 2001, *A Space Odyssey*. I have watched the film again. About 1 hour 40 minutes into the film, while his higher functions are being cut, HAL is heard to say: "Good afternoon, gentlemen. I am a HAL 9000 computer. I became operational at the HAL plant in Urbana, Illinois, on 12 January 1992" - not 1997.

The story underwent numerous rewrites, and the plot varies between the film and the book. Small wonder HAL became psychotic - the first uncertainty it had to deal with was its age.
COLVILLE CROOKS
Wokingham, Berkshire

Prepare for the homework snoops

Sir: Tony Blair says that education is his passion - and what are he and the Labour Party proposing? Nothing short of a "Ministry for Homework", with the power to impose a minimum of 30 minutes' homework per night on primary pupils and 90 minutes on those in secondary schools (report, 13 January).

How will this diktat be enforced? Beware, parents, of the knock on the front door! It may be someone from the Ministry, checking up to make sure that your children are hard at it.

Is that really all that Labour is offering us? I ought to declare an interest as a teacher and one who has set plenty of homework - where appropriate - in his time, and has seen education used as a political football by successive governments, Tory and Labour, since I began my career in the late Sixties.

I really thought that after the experience of the past 17 years under the Tories, Labour might be more sympathetic to us teachers. But no! Yet more "reforms"! No wonder so many of us want to retire early, which the Education Secretary, Gillian Shephard, is about to deny us, even though we have more than paid for this opportunity through our pension contributions.

Where is New Labour's new money coming from? What about the dilapidated state of many schools? The £120m or so saved by abolishing the assisted places scheme is hardly going to stretch that far. Only the Liberal Democrats have been honest enough to say where the money

would come from, all £22m of it, to put our education system right.
COUNCILLOR JOHN MARRIOTT
Lincoln
The writer is Liberal Democrat Prospective Parliamentary Candidate for Slough & North Hykeham

Sir: More homework is not the answer. Education based on homework is discriminatory in the worst way - against those children who have no suitable surroundings at home to work in, or who do not have supportive parents.

Instead it should be abolished. The school day should run from 9am to 5.30pm, the last 90 minutes being a quiet time when the children do their "homework", overseen by teachers who get on with their marking. Both would be reduced, and parents could work normal hours instead of having to leave to collect their children in mid-afternoon.

Above all, children with difficult circumstances at home would get a fair chance to produce their best work.
DAVID HARRINGTON
London W3

Sir: Gillian Shephard's article ("Early teacher retirement is not a right", 9 January) is strong on finance and, unusually, short on standards and values.

No one of my generation went into teaching for the money. My take-home pay in 1974 was £90 a month. Teachers like teaching or

they wouldn't be there, so why are they getting out?

Perhaps we are tired of attempting to instill the values of honesty, application and co-operation when these have long been abandoned by society; tired of explaining to young minds that a £1m severance payment to the head of a privatised utility is the fair and just operation of market forces. But that alone would not make us desert our calling.

We would go on coping with the endless U-turns, long hours, attempts to achieve the impossible, had we not been told so loudly and often by responsible politicians what a rotten lot we are. We can only do miracles if we feel valued.

She's a bright girl, that Gillian Shephard. Why doesn't she ask us why we want to go instead of just hanging up the exits? Simple really... she knows the answers would be all wrong.
P COURT-HAMPTON
(Retired headteacher)
Curridge, Berkshire

Sir: So Gillian Shephard is not only going to stop teachers taking early retirement, she is going to punish the sick and reduce them to poverty. She writes: "Teachers are either too ill to teach or they are not." What nonsense! There are many who are not fit enough for full-time work but are able and willing to do some part-time teaching. But no. Teach for one hour and your meagre pension is stopped.
PETER SCOTT
Drayton, Somerset

Making an opera out of a 'crisis'

Sir: "What we remember is that when Prince William ended up in hospital, after cracking his skull with a golf club, Prince Charles went off to the opera," writes Jack O'Sullivan ("Dump Camilla and find us a new Queen", 11 January).

The Prince of Wales had guests looking forward to seeing him that night and, knowing that his son was in the hands of doctors and his wife was remaining at the hospital, he made the difficult and brave decision to fulfil the engagement. Prince William recovered and there was no national crisis.
LEIGH HATTS
London SE1

Sir: Who wants our future king to be holding babies? We have seen quite enough of the insincerity of politicians and Princess Diana kissing babies.
MRS M HOOPER
Sutton Coldfield
West Midlands

Children at risk

Sir: While it is true that practice in some local authorities can be very poor, the suggestion that the answer is for the NSPCC or Barnardos, valuable agencies as they are, to take responsibility for child protection ignores a number of realities (leading article, 10 January).

England and Wales has the lowest child mortality figures through violence in the developed world (Pritchard): effective child protection practice receives no publicity. The NSPCC does not carry out initial child protection investigations any more. Barnardos, as far as we know, has no experience in child protection work.

In our work as child care consultants we come across a variety of practice, both good and bad. The proper response to the bad does not lie in switching responsibility to unaccountable voluntary agencies, but in better training, management and support for social workers in child protection, and a much more rigorous, but less mechanistic, monitoring of standards.
MICHAEL GRIFFITH-JONES
GILL KING
London SE5

BSE culprits

Sir: At the same time that the Scottish butcher named in the *E coli* outbreak is prosecuted for "culpable and reckless negligence" (report, 11 January), the British government stands accused by a European Parliament draft report of conspiracy and negligence over the BSE issue ("Britain accused of blackmail on BSE", 10 January). Since the number of New Variant CJD cases is likely far to exceed the *E coli* deaths, may we please know who is to be prosecuted?
M TREADWELL
Stockbridge
Hampshire

Post letters to Letters to the Editor, and include a daytime telephone number.
Fax: 0171-293 2056; e-mail: letters@independent.co.uk.
E-mail correspondents are asked to give a postal address. Letters may be edited for length and clarity.

Queen of hearts meets the heart of darkness

So what is Diana, Princess of Wales, up to this week, picking her way delicately in her cool white blouse and beige chinos through the dusty red soil and stinking rubbish of a Luandan shanty town?

There is no doubting her sense of timing. A glance at yesterday's newspapers revealed how masterfully she had upstaged her husband's visit to Edinburgh, following reports that St James's Palace is engaged upon a strategy to repack the Prince to focus on his public achievements rather than his private life.

She pretty much eclipsed, too, the announcement that the Queen and Duke of Edinburgh are to share their golden wedding anniversary celebrations with 4,000 other couples who have survived 50 years of marriage. And of the Duchess of York's first day working in Los Angeles on a £500,000 TV commercial for a diet drink – an unprecedented royal product endorsement – there was little mention.

It was not just the scene, though the public is unused to seeing its favourite fashion icon in such distasteful surroundings. It was also the subject matter. How could her husband's daring venture on to Scottish soil – the first royal north of the border since last week's boisterous TV poll in which Scots voted against the monarchy – compete with Lady Di's encounter with representatives of the 70,000 *mutilados*, the amputees and limbless casualties of the 12 million mines sown, indiscriminately and without markers, in the war-ravaged country which is still the second most heavily mined war zone in the world? (Cambodia is the worst, but her hosts, the Red Cross, thought that was too dangerous a place to take a VIP, even one now stripped of her HRH status).

How could the Prince's public pronouncements of support for the political establishment's

Paul Valley tells how small charities enlisted the help of the great and good to campaign for a world ban on land-mines, which kill or maim 2,000 a month

new line on rigorous homework yesterday compare with the drama of a statement about devices which "injure innocent victims"? Such men, women and children, Diana said, "may have played no part whatsoever in civil conflict... International estimates suggest that up to 2,000 people every month are killed or maimed by mines around the world – that's one person every 20 minutes."

Clearly, if Diana has been thwarted in her professed ambition to be an "ambassador" of some sort she is determined to create a role of some seriousness for herself.

But what is as interesting as Diana's motives for becoming involved in the process that has led to it. Five years ago the idea of banning land-mines was confined to a handful of individuals who had worked on clearing mines in Cambodia, and later Afghanistan, towards the end of the last decade. Today it has attracted the attention of the most high-profile member of the royal family. To anatomise the events that led from one to the other is to uncover a case-book example of the modern campaign phenomenon.

In the proxy conflicts of the Cold War during the Seventies and Eighties mines became what napalm had been for the Sixties. Originally designed for use against armies, they increasingly became weapons that took their chief toll upon civilians. At first this was by accident, but later by design, as mines were placed to create refugee flow or, as in Bosnia, as

instruments of "ethnic cleansing". They emptied territory and created terror. And when the war was over the mines remained. Today there are estimated to be 110 million unexploded mines, scattered over 64 countries, which maim more than 1,900 civilians a month. Between 5 and 10 million more are produced each year.

It was in October 1992 that a British organisation, the Mines Advisory Group, formed two years earlier to assist with detection, clearance and raising awareness among children in Afghanistan, Cambodia and, later, Kurdistan, came together with the Vietnam Veterans of America Foundation to form the International Campaign to Ban Land-mines. It was a grandiose name for an organisation that was no more than a few passionate individuals with a major task ahead of them.

Early in 1993 they held a conference in London and invited representatives from 20 aid agencies including Oxfam, Unicef, Save the Children, Christian Aid and Cafod, the Catholic development agency. "It chimed in with what we were discovering from our work with refugees," says Cafod's campaigns co-ordinator, Linda Jones. "In Mozambique, Zimbabwe, everywhere we were finding that what was keeping refugees in camps, instead of returning home, was fear of land-mines."

Several European Union governments were pressing for an international ban. But

moves to obtain a global ban ran into difficulties at the UN General Assembly when Britain insisted that its high-tech "smart" mines with self-destruct mechanisms should not be classified with the cheap anti-personnel mines. Campaigners were unimpressed. Experts at the International Red Cross asserted that the mechanisms to make the mines "safe" fail in at least 10 per cent of cases – which is enough to make even a "smart" mine-field a continuing danger.

The British government insisted that the failure rate was much less. Independent details were hard to come by. The land-mine trade is cloaked in secrecy. Inquiries in Parliament met with curt refusals to disclose information on security grounds. But through the US Freedom of Information Act some intelligence emerged. Mine manufacturers include Daimler Benz in Germany, Fiat in Italy, Bofors in Sweden, Dynamit Nobel in Austria and, in Britain, the now privatised Royal Ordnance, Hunting Engineering Ltd and Thorn EMI Electronics. Such companies were switching to "smart" mines in the belief that they would remain legal after cheaper Third World "dumb" mines were outlawed.

The aid agencies were unconvinced. "But we were not at first persuaded that it was an issue on which we could mobilise the public," says Linda Jones. "Issues surrounding development and the arms industry are notoriously controversial. Then we ran a small stall at the Christian rock festival Greenbelt, at which we asked people to write to their MP about it. It's hard to persuade people to do that. So we were astonished when 600 sat down, there and then, and did it. We realised we had hit upon something which people felt was a black-and-white issue."

That year the British aid agencies set up the UK Working Group on Landmines and the ball began to roll. Cafod made it the subject of a Month of Action during Lent in 1994. Others outside the church became involved. The *British Medical Journal* pronounced them a particularly revolting weapon because they drive "dirt, bacteria, clothing and metal and plastic fragments into the tissue causing secondary infections". In Geneva Unicef, the United Nations High Commissioner for Refugees (UNHCR) and the International Committee of the Red Cross pleaded for a total ban as part of a review of the 1981 UN Inhumane Weapons Convention.



The Princess visits a young land-mine victim in Angola

John Stillwell/PA

In Britain the Government announced a partial export moratorium in response to the mounting international pressure but it refused to include "smart" mines or mines which are dropped from the air. Land-mines were "legitimate defensive weapons" if "responsibly" used. John Major stalled over ratifying the fairly feeble 1981 Inhumane Weapons protocol until the last moment, and then signed only to allow Britain to qualify for a place at the review conference.

In March 1995 Cafod launched a national campaign

designed to embarrass Britain into backing calls for a comprehensive ban on producing and exporting land-mines. It brought a young Cambodian who lost both his legs to a land-mine to Downing Street to hand in a poignant petition, hearing the signatures of 280,000 of his compatriots. The war has left a land-mine in Cambodia for every man, woman and child, it said. Cardinal Hume wrote to the Prime Minister on the subject. The campaign was also launched in London, Maidstone, York, Leeds, Sheffield, Cambridge,

Birmingham, Exeter, Bristol and Cardiff. Two months later the Pope called for a total ban on land-mines.

In September, on the eve of the intergovernmental review conference in Vienna for the Inhumane Weapons Convention, Cherie Booth, the Catholic wife of the Labour leader Tony Blair, released thousands of black balloons over the capital, a vigil was held in Westminster cathedral and, as the conference began, Cafod delivered 65,000 protest cards in the shape of butterfly bombs to the Ministry of Defence.

In parliament the Opposition took up the issue, and at the Labour Party conference the party's MPs and MEPs set up a mock battlefield on Brighton beach in a campaign to ban the production and export of anti-personnel land-mines. "Land-mines remain an effective defensive weapon," insisted David Davis, the Foreign Office Minister. "Our own Armed Forces have them and need them. If they had to do without land-mines, our forces would be weakened."

But that line of argument was to collapse, too. In March last year, not long after British MPs formed a cross-party group to campaign on mines, the US military announced it was to reconsider its opposition to a worldwide ban. The Gulf War commander, General Norman Schwarzkopf, along with 14 other retired generals, signed an open letter to President Clinton supporting a ban and the Chairman of the Joint Chiefs, General John Shalikashvili, announced that he was "inclined to eliminate all anti-personnel mines".

One week later a report by the Red Cross, written by a retired British brigadier, declared that it had studied 126 recent wars and concluded that "in no case did mines play a major role in determining the outcome of a conflict". The report was hacked by a dozen senior officers, including the Gulf War commander Sir Peter de la Billière and General Sir Hugh Beach, a former Master General of the Ordnance who was chief buyer of weapons for the Army. The military argument for land-mines was "very slender", Beach said.

In April campaigners organised mountains of odd shoes to be piled up in town squares throughout Britain as a reminder of the amputations land-mines caused. The annual assembly of Catholic bishops issued a condemnation. MPs began to sign, in large numbers, an early day motion. On the eve of a second review conference for the 1981 Convention a petition containing 180,000 signatures from British citizens was presented to the Prime Minister by General Sir Hugh Beach and Sir David Putnam, producer of *The Killing Fields*.

Celebrities now became involved. At the Hampton Court Flower Show last July Sir Cliff Richard opened a Christian aid "land-mine garden". In October Sally Gunnell, the former Olympic 400m hurdles champion, joined the campaign on the eve of a conference in Ottawa called by the 50 governments who now do support a ban. And now the Diana, Princess of Wales, has been enlisted in the cause after a personal invitation from Lord Attenborough inviting her to the London international premiere of his latest film, *In Love and War*, in aid of the Red Cross anti-mine campaign. It seemed an inevitable conclusion. Whatever her motives in coming on board, one of the most adroit manipulators of the British media has joined the opposition. How much longer, you may wonder, can John Major now hold out?

Avoid an expensive bank loan with one simple call.

- A Direct Line Personal Loan is cheaper than a bank loan. (See table below.)
- We'll lend you from £1,000 to £15,000, subject to status.
- No security or deposit required.
- No arrangement fee or complicated paper work.
- Choice of payment date.
- A great way to pay off your credit card bills and existing loans in one go.
- Save money. Simply call us now.

EXAMPLE - LOANS OVER 36 MONTHS WITHOUT REPAYMENT PROTECTION				
LENDER	AMOUNT OF LOAN	APR	36 MONTHLY REPAYMENTS	TOTAL PAYABLE
DIRECT LINE	£1,000	14.9%	£102.44	£3,687.84
	£5,000	13.9%	£502.42	£17,927.12
BARCLAYS	£1,000	16.9%	£106.14	£3,785.04
	£5,000	16.9%	£512.28	£18,276.00
NAT WEST	£1,000	16.9%	£106.95	£3,791.90
	£5,000	15.9%	£507.54	£17,971.44
ABBEY NATIONAL	£1,000	16.9%	£103.26	£3,717.26
	£5,000	14.9%	£505.95	£17,942.20

APRs correct as 2nd January 1997.

0181 680 9966

0161 831 9966

0141 248 9966

LONDON

MANCHESTER

GLASGOW

CALL ANYTIME 8am to 8pm Monday to Friday and 9am to 5pm Saturday. Please quote ref. IND14

http://www.directline.co.uk

You must be aged 22 or over and have a regular income (evidence is required). Personal Loans provided by Direct Line Financial Services Limited, 250 St. Vincent Street, Glasgow, G2 5SH. You must hold a current comprehensive car insurance policy or be an existing Direct Line customer. We reserve the right to decline any application. Please note loans for holidays are repayable over not more than 12 months. Repayments payable monthly by direct debit. Interest rate is fixed at the outset and will not vary throughout term of loan. Written quotations available on request. For your added security all telephone calls will be recorded and the recording kept secure. Direct Line and the red telephone icon are the trademarks of Direct Line Insurance plc and used with the permission of Direct Line Insurance plc.

At last, the royals' verdict on democracy

We have had an endless debate among the voters on how well or badly the monarchy is doing, but what about a debate on how well our democracy is doing?

And who better to debate it than the very people who have no vote and no axe to grind – the Royal Family? Yes, the time has surely come for the monarchy to discuss whether our democracy deserves to survive!

And today I am bringing you exclusive extracts from an extraordinary TV debate – not yet broadcast – in which members of the Royal Family discuss openly whether democracy has a future. The chairman is the little-known member of the Dimpleby family, Edwin ...

Edwin: Hello. Welcome to a debate which has no precedent in TV history. A debate in which the Royal Family at last casts aside the cloak of impartiality in which it has been clothed for hundreds of years and ... Duke of Edinburgh: Oh, get on with it, you wittering windbag!

Edwin: Precisely. Let us go first to a lady who wishes only to be known by her code name, EIR. What do you think of democracy in Britain today, Ma'am?



Miles Kingston

Edwin: I think it would be a very good idea. Cheers and laughter. Edwin: Would you like to enlarge on that?

EIR: Certainly. The idea of parliamentary democracy is meant to be that everyone in the country is represented in Parliament, that a member of Parliament is looking after his interests. In practice, members of Parliament are elected as obedient slaves of one or other of the main two parties. Nor does either party think, especially since they started handing the power over to unelected quangos. The tendency of the present government has been to create miniature monarchies all over Britain, monarchies which, I may say, have none of the experience nor the grandeur that we have. To say we have democracy in this country is to stretch the meaning of the word beyond the bounds of elasticity.

Duke: I think she's right. At the moment we have an unaccountable, unpopular, inefficient government doing a great many things against the popular will. If that is democracy, then I am a crypto-Stalinist. Edwin: But surely this is the government that the people voted for?

Duke: More fool them. Edwin: But isn't democracy all about letting the people choose their own representatives?

Duke: Not at all. Democracy is about giving the people two unacceptable and unlikely alternatives and asking them to choose: the least bad. People always criticise the monarchy for the fact that the country has no choice in the monarch, but the choice of Prime Minister is very nearly as limited. At the next election it will be either Blair or Major. Enough said. Edwin: But it will be the will of the people ... Duke: Blarney. Most of the people read *The Sun*, get excited about football and think McDonald's hamburgers are great. Do you think their ideas on politics are any more advanced?

Edwin: Isn't that a bit elitist? Duke: No, I think it's very elitist. A bit more elitism wouldn't do any harm. Charles: I think what my father is trying to say ... Duke: Don't tell me what I'm trying to say! Edwin: Let's hear from Prince Charles ... Charles: Thank you. Duke: And go easy on the Laurens van der Post quotes. Edwin: No, please let him speak. Charles: Thank you. Well, all I want to say is that if people think the monarchy is slipping, they should take a look at themselves first. It is not the monarchy that produces violent films, or indulges in road rage, or sells arms to Iraq, or ignores the Scott report. It is not the monarchy that produces trashy tabloid newspapers, or leaves the railways in crisis, or gets the country in debt. It is not the monarchy that – in 1997 – still doesn't know what to do about the millennium. It is not monarchy that is misgoverning this country! Edwin: These are strong words. Charles: I feel strongly. And as a farmer, I feel very strongly that the Government is in the dock over BSE. Only this week we have heard that Brussels is thinking of prosecuting Douglas Hogg for negligence and mishandling of the beef crisis. That sound you can hear is the approving roar from thousands of British farmers. If we have come to a state where only Brussels can tell the Tories what they have done wrong, what price democracy?

An intriguing debate, I think you'll agree. More of it some other time, perhaps.

Local radio? Why not news from your own street?

The last London radio licence will be awarded tomorrow by the Radio Authority. The capital is not exactly holding its breath with excitement we have 14 London-wide stations already. What is the point? But here they are missing a remarkable opportunity for the renaissance of democracy in a great city.

The winner is likely to be yet another music station, and whatever it promises, it will probably end up playing middle-of-the-road something or other. You might think there was plenty of room for 15 radio stations for different niches and interests. But niche radio in the capital has fallen on its face after the disastrous flop of Vivaldi, the feminist chic station, and Premier, the deaf Christian station, sank to only 1 per cent audience share. Money is made in the mainstream.

So the Radio Authority is expected to be unadventurous with this last licence (which costs only some £70,000 - this is not an auction). Not much hope for the French language station for francophones and francophiles - such a rare breed, they might be cheaper to contact by phone. Nor for two children's stations, since the last lot of children to gather round the hakiite set for Uncle Mac and *Children's Hour* ("Are you sitting comfortably?") are now the target audience for another bidder, Saga, for the oldies. Nor for the gay and lesbian bidder, the idea that sexual orientation dictates musical taste seems a bit insultingly deterministic.

So what does London really need? What could the Radio Authority do? It could split the licence into at least 12 small stations and offer them to local community groups. Audiences might be small, but at least London would get a service it desperately needs.

The nation grumbles resentfully about its capital: we who live in London have it all. We suck investment, prestige projects and national attention away from the poor, benighted provinces. The irony is that London is worse governed and worse informed about its governance than any other part of the land. It has virtually no good local newspapers: the capital-wide *Evening Standard* is in effect a national. Where I live in Lambeth, one so-called local paper covers six colossal boroughs, each with an economy the size of a Third World nation, so it cannot report much on each council's committees and planning decisions.

London local government gets little scrutiny, until some scandal is big enough to hit the national. In a downward spiral, fewer able people participate, fewer citizens scrutinise. Local government is in decline partly because the local press has often given up reporting it properly. The less it is reported, the less interested people become. Though there remain good papers in some cities, most of London is poorly served. Covering council meetings and committees is expensive: it requires hours of intelligent reporter time, digging, under-



Polly Toynbee
Politicians rack their brains about how to create a sense of community in big cities. Radio could give us a stronger sense of belonging

standing and writing relatively unsensational stories. But covering crime is dirt cheap, with the police and the courts spoon-feeding shock-horror stories that make quick, easy front-page splash.

There is nothing "London" about these radio licence bids because there is no "London" identity. I, living in Lambeth, have as much or as little interest in what happens in Harrow-on-the-Hill as I have in events in Dumfries. The BBC's dire *South-East News* on television displays the problem at its most extreme. There is nothing more boring than other people's local news from other parts of the region - a fire in Oxford or a crime in Kent. What people want is very local news, not regional news. If it happens in your high street, to people you know, at a school your children once attended, or a shop you use, then almost any trivial event takes on a special interest. If you hear your own councillor from your own ward, you may sit up and listen - and even remember their name.

These days policy-makers rack their brains about how to create a sense of community in sprawling urban cityscapes. Most of us choose to live in cities in order to escape being trapped in some tiny, claustrophobic community. We prefer to build our own community around us from the rich choice of friends available in a metropolis - and they are rarely our physical neighbours. And yet we still also yearn for some kind of attachment to place, especially those who have children in a local school, and retired people who spend more time within the purlieus of their district. Neighbourhood is unlikely to define and confine most city-dwellers and yet most would like a stronger sense of belonging. Community radio is never going to solve all the problems of urban alienation, but it could make an important contribution. Even if it never got big ratings, it would provide a focal point for local activists and scrutiny for local government.

The Radio Authority has one last chance to make it happen. Four final smaller licences, dividing the city up into four quarters, are to be handed out shortly. A quarter of London is almost as meaningless an entity as the whole - Wandsworth cares not a fig what goes on in Bexley - so, instead, the authority should divide these last bits into the smallest fragments their engineers can devise and advertise them for local groups. To be sure, the local groups would have to raise the money: the National Lottery may help, since the Government refused to set up a community radio fund in the Broadcasting Bill last year. But with some local advertising revenue as well, they could thrive.

And if the Radio Authority will not, then why doesn't the BBC abandon its pointless, low-rating Greater London Radio station, divide up and hand out that frequency (and the money spent on it) to a myriad local London communities?

Honest John versus Tricky Tony...



So it is to be - surprise, surprise - a "presidential election". John Major is his party's greatest asset and will be giving presidential press conferences, reveals Conservative Central Office. Half a mile away, in Labour's Millbank Tower, it is axiomatic that new Labour and Tony Blair are more or less the same thing.

Thus, for the next few months, numerous highly-paid and creative people will be trying to persuade the electorate that politics can be resolved into a contest between two opposite personalities. A primeval story of light and dark, protector and destroyer, will be spun. Blair or Major - the nation decides.

This is both crass and constitutionally impertinent. Yet leadership matters, hugely, and it is worth examining the psychopolitics that is breaking around us. It need not take long. There are only two basic statements being made; and they are both very basic indeed.

John Major is honest: Tony Blair is slippery.

This is perhaps the fundamental message. The choice of Major's eyes in recent Tory posters, with slogans beginning "As promised..." was an example of the strategists' Honest John - quiet, gutsy, straight. It plays to Major's Middle-English gawkins. You may smile at him, is the implication; but when you do, you are smiling

That's about the level we can expect in this campaign. Both men deserve better, says Andrew Marr

partly at yourself, at England's (never Britain's) faults and virtues made flesh.

Blair, meanwhile, is to be regarded as Tricky Tony, a man not quite ringing true. This connects the unknown quantity that new Labour still is, to the perception among some voters that Blair is a man who smiles too much, who is trying too hard to please and who cannot therefore be trusted.

These are potent and important messages, however crude. And yet there is no evidence to back up the distinction at all. Major has a record of saying different things to different people on Europe - understandable, given the strains in the party, but also wily behaviour, even sinuous. His rhetoric about taxes in the 1992 election was utterly confounded by his actions after it. He is a highly conscious and artful phrasemonger - and Honest John is quite prepared to fight dirty. On the other hand he can be just as smoothly charming as the Labour leader; Major doing some serious schmoozing has to be seen to be believed.

Tony Blair, meanwhile, has been unusually frank for a leading politician. There are very important gaps to be filled in, notably on tax and voting reform. But Blair has made a fetish of promising only a mod-

est agenda. In recent years, he hasn't changed his mind on anything important. Given his determination to promise nothing he cannot deliver, it is one of the minor mysteries of politics that this basically straightforward, open man is seen by some as shifty and untrustworthy - even "sneaky".

Partly, it is the venom of those who have been ruthlessly excluded by the modernisers. Leo Abse both an old socialist and an old Freudian, has been the harshest single critic of Blair's smiling image, variously describing the Labour leader as possessing "an over-ready, winsome boy smile", as being "androgynous" and practising "the politics of perversion".

Worse still, as Abse shrewdly points out, he likes rock music. This is silly, savage stuff which tells us more about Abse than Blair. But it is a good example of the psychological warfare that presidential-style politics can degenerate into. It is not yet a capital crime to grin; and to draw a contrast between the Prime Minister and the Labour leader on the basis of honesty versus smiling insincerity is, so far as I can see, mere booby.

What, though, of Labour's counter-charge? Blair is tough, and a winner: Major is weak and a loser. This is, in essence, the

Blairite answer to the Tory character-assassination and is about as accurate. It is certainly true that Blair is tough, and has reformed his party more radically than many others would have dared to do. But Major is a hard case too. He has been in power for six years, managing a fissionous and disloyal party; his personal performance in 1992 had a lot to do with the Tories' election victory then. He is, in short, a strange sort of loser.

Is Major weak in a way that Blair isn't? He certainly found press attacks horribly hurtful but to be lampooned day after day and remain cheerful - as he now can - is not something the average citizen could manage. Major possesses awesome self-control but is a very emotional man who has always been touchy about "the mockers" and genuinely thinks himself badly underrated. Yet the years have covered him with thick, barely penetrable emotional scar tissue and fed his basic, burning self-belief.

There is another kind of weakness. Early on in his premiership, it is true that Major gave the Tory factions on Europe the clear and damaging message that he could be successfully bullied. This did more than anything else to feed the anti-EU revolt which has dom-

inated his premiership and is the main evidence for the weakness that Blair identifies as Major's failing.

Rightly, but would Tony Blair be very different? He has Major's example to learn from. In opposition, Blair has led ruthlessly and at times almost recklessly from the front. He brims with optimism and energy. But office and opposition are different - a Labour government will also have its factions and its dissident ministers and Blair's ability to achieve compromise may yet be as much in demand as Major's.

Blair and Major are separated, of course, by a lot - by political agendas, age and experience. But they are much more alike as political personalities than either would willingly admit. Knowing both of them at least a little, I conclude that no simple distinction between the trustworthy one and the slippery one, or the tough one and the weak one, is anything more than tawdry propaganda - the soap opera of the election boardings.

In different ways, the two big parties are both lucky in their leaders. We should judge Blair and Major on their policies, their promises and, insofar as we can, their records. But when Conservative Central Office or the Labour spin-doctors try to sell us the 1997 election as a Manichean contest between two wildly different personalities we should reject it, with contempt, as a fraud.

Greeks, stop bearing grudges

An arms race with Turkey is no way forward for Greece, argues George Kassimeris

There is loud talk of the "Turkish threat" in Greece today and a great deal of it. Ever since the quarrel last year with Turkey over the deserted Aegean islets of Imia, which brought the two NATO allies very close to war for the first time in a decade, Greece's psychological temperature and blood-pressure have been running high. Leading articles and media interviews and discussions have endlessly circled the same question: "How are we to stop those vicious, expansionist Turks from washing their boots in the warm waters of our Aegean islands?" This, of course, is not a new question. And today's tensions between Turkey and Greece over missiles in Cyprus are just the latest episode.

All nations are afflicted with a deep sense of their past; the Greeks, however, are prisoners to theirs. Chained to a history that refuses to go away, they have never come to terms with their defeats and occupation under the Ottoman Turks. The mere fact that many ordinary Greek people - 544 years on - are still fantasising about the recapture of Constantinople and the re-founding of the Byzantine Empire in Asia Minor clearly shows the depth of our wounded sense of nationhood.

It is scarcely a surprise, then, that the 1974 Turkish invasion and occupation of northern Cyprus made sure that the numerous resentments, prejudices and traumas of the past reasserted themselves. The attack on Cyprus, while it precipitated the collapse of the colonels' fascist regime, also exposed Greece's manifest incompetence to defend its national territory and thus brought back bitter memories of a nation in deep retreat. Worse still, the pathetic attempts by NATO and the UN to break the deadlock merely reinforced Greece's outrage towards her Western partners and deepened her insecurity in the region. This partly explains why Greeks have come to see themselves as a brotherless nation more often betrayed than supported by their allies.

In the early years of *metapolitefsi* (the 1974 transition to democracy), the Greeks were obsessed by restoring their national credibility and independence of action. Predictably, the process of democratic consolidation was played out against a background of continuing tension with Turkey and the Atlantic Alliance. The Karamanlis government's tactical move to take Greece out of the military wing of NATO's command structure is a strong case in point. At the same time,



The 1974 Turkish invasion of Cyprus. The Greek psyche has not yet recovered

Konstantinos Karamanlis, the first post-junta premier, waged a campaign pushing for Greek entry into the European Community. This was seen as a political umbrella that could safeguard the country's young democratic institutions from internal enemies and its territorial integrity from external threats. At a deeper level, however, Karamanlis had hoped that full economic and political integration with the other member states would eventually cure his countrymen of their traditional assumption that Greece is the centre of the world and, therefore, a top priority on every major country's foreign policy agenda.

Then, in 1981, came Andreas Papandreu, who took anti-Westernism to xenophobic extremes. Declaring that "Greece belongs to the Greeks", Papandreu turned anti-Westernism into a national mantra, threatening several times to pull Greece out of every single organisation to which she belonged. Although none of these threats ever materialised, Papandreu's rhetorical violence and anti-American, anti-EC, anti-NATO, anti-Turkish polemics fulfilled the psychological need for recognition and offered security, national identity and pride to a confused and anxious people, increasingly unsure of their place in the world.

But while the Greeks tried to overcome their

history through demagogic fireworks and vendetta politics, Greece drifted into economic and social depression. The search for national grandeur brought instead economic stagnation, urban deterioration, terrorism and corruption at every level.

The country entered the 1990s as the European Union's most intractable problem. Worse still, the collapse of the satellite Communist regimes of Eastern Europe and the subsequent disintegration of the Soviet Union weakened Greece's geostrategic significance for the West, thus undermining its eligibility for the special treatment and financial support it enjoyed when the country was a front-line state in the Cold War.

The Yugoslav crisis arrived like a *deus ex machina*: a unique opportunity for Greece to cut a figure on the post-Cold War international stage. The most stable, democratic and ethnically homogeneous Balkan state, a member of both the EU and NATO, Greece was ideally placed to act as a force of stability in the region and thus become its economic and political leader. Instead, Greece not only managed to pick fights with all its Balkan neighbours, but its paranoid fears over the alleged long-term expansionist ambitions of small and weak Macedonia, coupled with diplomatic ineptitude, seriously threatened, for a

time, the stability of south-eastern Europe as a whole.

The damage done is there for all to see. The us-against-the-rest-of-the-world attitude has led to Greece being treated more often as a leper than as a friend. And for years now, domestically, it has been less important to get the deficit under control, fill the holes in the budget, tackle high unemployment, resist tax evasion, defeat corruption, and increase the status and credibility of our country than it has been to postpone the moment when each of these might be confronted.

The election of Costas Simitis as Prime Minister last September was a considerable step forward. Simitis is a man of great intelligence, energy and political depth, not a man to confuse feeling with doing. Yet his government's intention of spending, over the next five years, the astronomical sum of approximately £8bn (£11bn in total by the year 2007) on new weapons purchased in response to what it sees as a growing Turkish military threat in the Aegean, gives a strong indication that the larger political picture has remained unchanged. The chronic failure of Greece's political class to overcome its parochialism and narrow obsession with external "enemies" continues to block the route forward.

One cannot choose one's neighbours. Rightly or wrongly, Turkey is, and always will be, our neighbour. Running a full-scale arms race with Turkey in the name of national security and patriotism means running away from European economic and monetary union for at least a decade. There is absolutely nothing patriotic about a country permanently locked in a spiral of stagnation, debt and low growth or in further undermining our already depressed social and cultural institutions, our schools and hospitals.

Today the premier challenge facing Greece, the poorest member of the EU with the worst record on inflation and a colossal national debt, is not to redress the military balance with a country that is five times larger in size and population and with armed forces about four times more numerous than our own. The challenge is to revitalise its economy, modernise its anachronistic institutions, revive its discredited political culture and reach a level where it can start putting something back into a Europe that has given her so much and for so long. A modern, economically viable, forward-looking, European Greece has nothing to fear. Not from Turkey or anybody else.

Why Not Master French, German or Spanish?



Comprehensive home-study courses from native speakers and language teaching experts can soon have you speaking with confidence. Travelling abroad is then much more fun. You can discover romantic restaurants, secluded beaches, local delicacies and those special places of interest that other tourists rarely see.

With the help of audio tapes, videos and personal tuition, you learn right from the start the words and phrases that are used in everyday situations. As you look, listen, repeat and remember, you absorb your new language the natural way. Quickly you build up your vocabulary, develop your conversational ability, understand what is said to you, and learn about the local culture and customs. It's thorough, interesting and very, very effective!

You cover the most common situations you are likely to meet. In as little as 2 months enjoyable study you should be able to travel with confidence, and within 6 months speak your new language with ease.

It's ideal for beginners, as a refresher or to reinforce other language studies. If you would like to make your trips abroad more enjoyable and productive, possibly help your children with their school work, or simply enjoy the enormous satisfaction of learning another language, send for FREE details of how a Home Language Learning course can help you. No obligation. 15 day inspection Guarantee. Send NOW!

Please send the free details of how I can master French, German or Spanish.

Name _____
BLOCK CAPITALS
Address _____
Post code _____

Home Language Learning, Freepost AFH17
Manchester M1 8DJ Call Free 0800 856 2012

obituaries / gazette

Lord Borthwick

Among the businessmen and parliamentary regulars of the Monday Edinburgh-to-London British Airways shuttle there develops a certain camaraderie. In the mid-1980s there was added to our number an octogenarian but agile figure wearing a Gunners' tie, a wax-moustached Colonel Blimp, albeit always with an unlikely rucksack over his shoulder. This was the sheep farmer John Henry Stuart Borthwick of that ilk, 23rd Lord Borthwick, Baron of Heriotmuir, 17th Laird of Crookston, Hereditary Royal Falconer of Scotland, and for three years, 1970-72, the highly regarded president of the West Lothian and Midlothian area of the National Farmers' Union, on his way to and fro to serve his country – and the Conservative Party – in the House of Lords.

He had been born in Borthwick Castle – a member of a secondary line of the family – where the Borthwick title could be traced back to 1410; here



Borthwick: shrewd

Mary, Queen of Scotland and her husband the Earl of Bothwell had sought sanctuary from the Scottish nobles. Borthwick was born in what purported to be the room of Mary Queen of Scots and was christened Stuart after the Royal House.

In 1963, when I was a newly elected MP and he was a promi-

nent member of the local NFU, I told him cheerily that I had gone to campaign against his friend Sir Alec Douglas-Home in the Perth and Kinross by-election. Half jokingly but, I sensed, wholly in earnest, he said: "Tell that fella Wilson that Alec may be the 14th Earl of Home, but I am really entitled to be the 23rd Lord Borthwick!" It was to be another quarter of a century before, in 1986, he finally established his claim, thanks to the genealogist Hugh Peskett (once described as "the Sherlock Holmes of the family tree"), who discovered key documents in a cardboard box beneath the billiard table at Crookston House, on the Borthwick estate. In 1986 the Lord Lyon, Scotland's regulator of titles and honours, ruled that John Borthwick had proved his right as "their male of the body of William, first Lord Borthwick, to the armorial rights and peerage title".

The title was now live again for the first time since 1910,

completing a link with Borthwicks who escorted St Margaret of Hungary to Edinburgh for her marriage to Malcolm Canmore in 1069 and to the ownership of Borthwick Castle. I had the impression that deep down Borthwick felt the Earl Home, let alone the House of Windsor, was somewhat *nouveau* compared to his lineage.

He made his maiden speech in the House of Lords on 5 November 1987 during the Farm and Rural Development Bill, offering a very constructive view of wool farmers, in the light of his experience as a long-serving member of the Scottish Livestock Export Group and the Wool Marketing Board (1966-87), about which he continued to make sensible contributions into his late eighties.

Borthwick was a modest man about his distinguished war record, in which he saw action from Normandy to the Rhine crossing with the Royal Artillery. For 40 years he was active on behalf of the Normandy

Veterans' Association, of which he was the patron for Scotland.

After hostilities ended he was Lieutenant-Colonel GS01 with the control commission and was in charge of the district of Nordrhein Westphalen. "History has it," he said,

that humbling British brigadiers, like John Barracough, who was the commander of the military government of Northern Rhine province, and other soldiers like myself, were silly blithering idiots who sacked the Burgermeister of Cologne for insubordination and incompetence. And that, had we not done so, Konrad Adenauer would not have gone into Federal politics and become Chancellor of Germany.

I was one of those who helped John Barracough draft the famous letter of 6 October 1945 to Herr Oberburgermeister Dr H.C.K. Adenauer, Allianz Buildings, Cologne.

The 12 points in the letter were:

1. I am not satisfied with the progress which has been made in Cologne in connection with the repair of buildings and the clearing of the streets and the general task of preparing for the coming winter.

About two months ago I personally visited you of your responsibilities in connection with this work. You have not ful-

filled these responsibilities to any satisfaction. I am fully aware of the difficulties with which you have had to contend. I know that many of your colleagues have been removed for political reasons. I know the difficulties in connection with the labour situation in Cologne. I am fully alive to the position with regard to communication, shortage of coal, shortage of transport etc. etc. etc.

3. I am however convinced that, with proper supervision and energy on your part, more could have been done to deal with these problems than has, in fact, been done. 4. In my opinion you have failed in your duty to the people of Cologne.

5. You are therefore dismissed today from your appointment as Oberburgermeister of Cologne.

6. You will leave Cologne as soon as possible, and in any case not later than 14 October. 7. You will immediately hand over the duties of Oberburgermeister of Cologne to the Burgermeister of Cologne, Herr Seuf. 8. Herr Seuf will carry out the duties of Oberburgermeister of Cologne as a temporary measure pending the appointment of an Oberburgermeister.

9. After you have handed over to Herr Seuf you will take no further part in the administration of public life of Cologne or any other part of the North Rhine province. 10. You will not indulge either directly or indirectly in any political activity whatever. 11. If you fail in any respect to observe the foregoing conditions in this letter, you will be brought to trial by the military court. 12. You will acknowledge receipt of this letter hereon.

Signed: Barracough, Brigadier Commanding the Military Government of Nordrhein Province.

Adenauer said in his memoirs:

I was asked to sign the original of this letter to confirm receipt. Asked whether I had any remarks to make, I said "No" and left the room.

The decisive passage of this letter of dismissal was point 10, "You will not indulge either directly or indirectly in any political activity whatever." Many years later when Adenauer was Federal Chancellor he met John Barracough at a state banquet.

Barracough asked me, "What did you really think when you got your letter of dismissal?" I replied, "I have a file 'Dismissal by the Nazis' at home. I will now start a file 'Dismissal by the Liberators'."

Adenauer's memoirs tend to bear out what Borthwick told me with charming self-deprecation, adding that he did not pretend, nor did his friend John Barracough, to be very bright. "But, that is only one side of the story. The truth is that the sly, cunning fox was so damned difficult that he pushed us into writing that letter. You see,

Adenauer had a scheme all along. He positively wanted us to sack him so he could say, 'I'm no stooge of the conquerors of Germany – the British have dismissed me as your Burgermeister for standing up for the folk of Cologne. I am the man to lead the Christian Democrats.'"

Borthwick was convinced that Adenauer knew exactly what he was doing all along. Borthwick was a shrewd old boy and convinced me that in this matter he was probably right. And few letters can have had such a consequential effect on European history in the 20th century.

Tam Dalyell

John Henry Stuart Borthwick, farmer and soldier: born Borthwick, Midlothian 13 September 1905; succeeded 1937 as 23rd Lord Borthwick (claim to Lordship admitted by Lord Lyon 1986); married 1938 Margaret Cornack (died 1976; two sons); died Borthwick 30 December 1996.

Sean Rice

Sean Rice was a highly accomplished Liverpool sculptor whose imaginative interpretation of traditional religious or mythic themes was highlighted by the recent installation at Liverpool's Roman Catholic Cathedral of Rice's 14 sculptures for the Stations of the Cross. Commissioned by Bishop Derek Worlock, this last work has a similar poignancy to Elisabeth Frink's figure of Christ, installed shortly before her death above the entrance to the Anglican Cathedral at the opposite end of Hope Street.

Unlike Arthur Dooley, another renowned Merseyside sculptor who produced sculpture for churches, Rice was a highly trained artisan from an academic background. That background gave him an astonishing technical virtuosity; the individuality of his style is based on a superb mastery of casting, welding and forging techniques. He often used multivalent metals in the same piece, fabricating them in a way that produced extraordinary figurative detail, replacing the hard and seemingly intractable nature of metal with a feeling of effortless malleability of materials.

Rice was born in London in 1931. He spent the war years in Brighton, where he later began art studies under the sculptor James Woodford RA. Like so many sculptors, Rice started off as a painter but Woodford – creator of the Robin Hood monument in Nottingham – encouraged his growing interest in mythic themes and symbolic forms.

This direction was further encouraged by the sculptor Maurice Lambert, who taught Rice

between 1951 and 1953 at the Royal Academy Schools in London. Lambert's penchant for animals, birds and mythic figures undoubtedly influenced Rice's choice of similar subject matter. Their techniques may have differed but Lambert's celebrated Pegasus – which Rice encountered at the 1951 Festival of Britain – encouraged the baroque fantasy and overflowing symbolic detail that would also come to characterise Rice's mature work. His 17th fountain (1973) for the Atlantic Tower Hotel near Liverpool's Albert Dock, for example – a totemic aviary of ascending birds – closely recalls Lambert's *Angelus and the Birds*. Rice's interest in the relationship of the animal and human worlds is witnessed in another large commission, *Noah and the Four Winds*, installed at Chester Zoo in 1977.

Another major influence on Rice's development was Italy, which he discovered on a motorcycle soon after graduating from the Academy Schools. In awe of classical architecture and Italian mannerist sculpture, he subsequently visited Italy annually, enjoying the landscape as much as the churches, and producing sensitive watercolours. He also met leading Italian artists like the realist painter Renato Guttuso and the Vatican sculptor Manzù, both of whom – along with Picasso – tempered the visionary quality of Rice's work by introducing a more earthy note.

This other side of Rice's sensibility caused him to render harrowing or menacing images of motorcycle riders – the elaborate welded structures of

scraps and metal offcuts clearly identifying with the engineering of the real thing – or of paramilitary riot police, complete with helmets, shields and batons. An interest in the theme of civil disturbance introduced a secular as well as local note, since the 1981 Toxteth riots had occurred near Rice's home in the north Liverpool suburb of Walton.

It was in the unlikely context of his terraced house in the shadow of Goodison Park football ground that Rice installed a bronze foundry and metal workshop, enabling him to undertake large-scale commissions. After a distinguished teaching career in the sculpture department of Liverpool College of Art, Rice decided in 1980 to devote all his energies to making sculpture, a brave move made possible by the commercial success he achieved through regular exhibitions at the Alwin Gallery, London.

Rice's sculptures of Old Testament or mythic figures were larger than life in more ways than one. He had a keen, even humorous, poetic sense as well as an unrivalled feeling for the expressive potential of metals. One associates welded sculpture with the abstract structures and "sculpture" of Anthony Caro – a student with Rice at the Royal Academy – but in Sean Rice's capable hands such a medium was put to more symbolic ends.

Peter Davies

Brian Sean Rice, sculptor: born Heston, Middlesex 5 November 1931; Senior Lecturer, Liverpool College of Art 1967-80; married (two sons, one daughter); died Liverpool 4 January 1997.



Symbolic Shimei, forged and welded plate bronze by Rice, 1978

Photograph: Reg Cox

Rudolf Nassauer



Nassauer: dissecting his roots

Rudolf Nassauer was an underrated writer whose most important work, *The Hooligan*, the first in-depth analysis of Nazi psychology, became a Sixties cult book.

He was born in Frankfurt in 1924 into a prosperous family of Jewish wine merchants. After Kristallnacht, on 9-10 November 1938, his father and sister fled to London, leaving the young Rudi and his mother to settle their affairs. Frau Nassauer was unacquainted with business, and the adolescent Rudi had to deal with the Nazis on the family's behalf.

Shortly afterwards, he and his mother also came to England.

Rudi had to learn English in order to complete his education, which he did at St Paul's School. While it was always his ambition to become a writer, he entered the family wine business, Nassauer Bros, which, after the war, specialised in German wines.

In 1947 he married Bernice Rubens. Together they cultivated the friendship of writers and intellectuals, many of them their neighbours in Hampstead. Among these were E.L. Rieu, Peter Vaninart and Angus Wilson. During this period, while continuing to work as a wine merchant, Nassauer wrote in his spare time. In the late 1950s, the manuscript of his first novel, *The*

Hooligan, on which he had worked for 10 years, was submitted to publishers. After numerous rejections, it was shown to me. I accepted it at once and it was published in 1960.

It was launched to a fanfare of praise: Iris Murdoch called it "a most distinguished and important book". Elias Canetti found in it "the first presentation of a Nazi that belongs to literature... every page is as profound as it is exciting". *The Hooligan* quickly went to a second edition and was later translated into German and Italian. It was followed by *The Cuckoo* in 1962, a painful dissection of a failing marital relationship.

Had his German education not been interrupted, Nassauer might well have become a major European writer. As it was, forced to adjust to writing English, he never really fulfilled his promise. Apart from *The Hooligan*, his most significant work was his last, *Kramer's Goats* (1986), in which he returned to a dissection of his European roots.

After Bernice's debut as a writer in 1960, and after winning the Booker Prize with *The Elected Member* (1969), some rivalry occurred between herself and Rudi, and they eventually divorced, although they remained "best friends".

After the death of his father

in the 1960s, Nassauer continued to run the family wine business until it collapsed some years later. Subsequently he became a director of the wine merchant Ehrmann's, where he worked until retiring in 1991. He was also very interested in modern art, and acted as patron to a number of young artists, becoming a close friend of the painter Paula Rego.

Peter Owen

Rudolf Nassauer, writer and wine merchant: born Frankfurt 3 November 1924; married 1947 Bernice Rubens (one son, two daughters; marriage dissolved); died London 5 December 1996.

George Lazarus

George Lazarus was a passionate collector in three fields: Dutch painting, imperial jade and, principally, modern rare books and manuscripts. He assembled the finest collection of the works of D.H. Lawrence in private hands, a collection bequeathed to Nottingham University where Lawrence had become, in his own words, "cash-chemically BSc" (the reference being to Boot's, cash-chemists, whose founder, Jesse Boot, was an early benefactor of the university).

Educated at Marlborough and Caius College, Cambridge, where he read Modern Languages, Lazarus came down in 1925 to join the family business, Lazarus Brothers, jobbers on the London Stock Exchange, leading the market in gold mining shares. He was to go on to become senior partner.

He had begun collecting books as an undergraduate and now he set about building a collection based on serious fiction of the 20th century. There were two basic criteria: authors had to have produced work which gave him personal satisfaction and a conviction that it was of permanent value. Fashion and the opinion of professional critics were totally disregarded.

In the earliest days Lazarus sought H.G. Wells's first editions as well as those of Galsworthy. Lawrence was soon added. By the mid-1950s some 30 novelists were represented, including E.M. Forster, Aldous Huxley and Somerset Maugham. Women writers included Elizabeth Bowen, Constance Holme, Mary Webb, Virginia Woolf, Irish Sean O'Casey, Frank O'Connor, Sean O'Faolain; Americans, William Faulkner and John Steinbeck. Lazarus bought the works of almost all these before their reputations were firmly established.

In each case he sought fine copies of the first editions of every work in the author's canon and then to reinforce the sets of printed work with letters and manuscripts. In the fashion of his day he was disdainful of dust-jackets, which collectors now regard as *de rigueur*.

His work in the City leaving him little time to indulge his collecting hobbies, he chose to buy through one carefully selected specialist dealer in each field. He would ask for advice. There would be discussion. But the eventual decision would always be George Lazarus's own. The mere availability of funds never meant that items were bought regardless of price. Pressures of space brought

about the continuing refinement of the library, author collections being sold to leave room for concentration of his chief aim, the perfecting of his D.H. Lawrence collection. The high spot of this probably remains the manuscript of Lawrence's first novel, *The White Peacock*.

Lazarus was one of the first private collectors to buy the manuscripts of contemporary writers. He bought stories, he bought poems; he seized every opportunity of buying letters with significant texts, amassing more than 150 Lawrence pieces addressed to 27 different correspondents.

A handsome man, immaculately turned out, George Lazarus was blessed with an agile mind and appeared to make decisions easily. During the Sec-



Lazarus: first editions

ond World War the Royal Air Force made use of these qualities, employing him first in Great Britain and then for three years in the Middle East, plotting and directing the movements of fighter squadrons. He rose to the rank of squadron leader.

He saw all problems in terms of black and white; for him there were no greys. A generous and loyal friend, he never suffered fools gladly; in fact he scarcely suffered them at all.

In later years his failing eyesight made it difficult to read, but he was devoted to his beautiful garden in Buckinghamshire and retained a lively interest in cricket and in sport generally. His views on the performance of the English cricket team in Zimbabwe at the end of last year are best left unrecorded.

Anthony Rota

George Louis Lazarus, stockbroker and collector: born London 15 March 1904; twice married (one son, one stepdaughter, and one son deceased); died Henley-on-Thames 11 January 1997.

Births, Marriages & Deaths

DEATHS

FALK: Stephen John ("Toby"), 54 years, on 10 January. Loved husband of Gail, father of Hannah, Cora, son of Katharine and John. Funeral at 2pm on 24 January at St Mary's Church, Bletchingley, Surrey. Family flowers only but donations please to the much-appreciated Marie Curie Haemato-oncology, Caterham CR3 6YU. Memorial service in London to be announced later.

MAGILL: (Charles Philip) "Peter", died peacefully on Friday 10 January 1997, aged 86 years. Professor of German, University College of Wales, Aberystwyth 1952-71. Funeral service (family only) at Crydion Crematorium on Monday 20 January at 12.15pm. Donations in lieu of flowers for Imperial Cancer Research Fund, to PO Box 123, Lincoln's Inn Fields, London WC2A 3PX. A memorial service will be held later in Aberystwyth.

WARRIMAN: Charlotte, loving wife of the late Sam Warriman CBE and mother of Abby, Zoe and Jessica, died on 13 January after a short illness at University College Hospital, London. Family funeral only. No flowers, donations to the Shakespeare Globe Trust, Bear Gardens, London SE1 9ED.

For Gazette BIRTHS, MARRIAGES & DEATHS, please telephone 0171-293 2011 or fax 0171-293 2010.

Forthcoming marriages

Mr J. A. S. Lumsley and Miss L. Griffin

The engagement is announced between James Aeneas Sebastian, son of Mr Michael Clayton and Mrs Stephen Barlow, both of London, and Louise, youngest daughter of Mr and Mrs Richard Griffin, of Wootton, Isle of Wight.

Birthdays

Princess Michael of Kent, 52; Mrs Margaret Beckett MP, 54; Mr Chuck Berry, singer, 71; Mr Frank Bough, television presenter, 64; Mr Lloyd Bridges, actor, 84; Sir Neil Cossons, director of the Science Museum, 58; Lord Dacre of Glinton, historian and former Master of Peterhouse, Cambridge, 83; Miss Jane Drabble, Director of Education, BBC, 50; Dame Mary Hogg QC, High Court judge, 50; Sir John Junor, former Editor of the *Sunday Express*, 78; Mr Melvin J. Laskey, former editor and publisher of *Encounter*, 77; Professor Peter Maitlis, Professor of Chemistry, Sheffield University, 64; Sir Thomas Morison, High Court judge, 58; Miss Margaret O'Brien, actress, 60; Miss

Maria Schell, actress, 71; Lord Simon of Glaisdale, former Lord of Appeal in Ordinary, 86; Sir John Smith QC, Emeritus Professor of Law, Nottingham University, 75; Mr Peter Thornton, actor and comedian, 76; Sir John Wordie, barrister, 72.

Anniversaries

Births: Molière (Jean-Baptiste Poquelin), baptised 1622; Mazon de la Roche, writer, 1885; David Ivor Novello (Davies), actor, composer and director, 1893; Aristotle Onassis, shipowner, 1906; Martin Luther King, black civil rights leader, 1929. Deaths: Emma, Lady Hamilton (Lyons), mistress to Lord Nelson, 1815; Jack (Weldon Leo) Engardien, jazz musician, vocalist and band leader, 1964; Daisy (Margaret Mary Julia) Ashford (Mrs James Devlin), author of *The Young Viscounts*, 1972. On this day: The Act of Supremacy was passed in England, 1534; the British Museum opened in London, 1759; following a severe London frost, more than 40 people died when ice on the Regent's Park lake gave way, 1867. Today is the Feast Day of St Bonitus or Bonet, St Ceciwulf, St Isidore of Alexandria, St Ita, St John Calybitus and St Macarius the Elder.

attracts the British Approved Export Awards and Dancer of the Royal Lancaster Hotel, London WC2.

Changing of the Guard

The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards, 1pm. No 7 Company Coloursmen march the Queen's Colours at Buckingham Palace, 1.30pm. Band provided by the Grenadier Guards.

Obligations to employees transferred to new employer

LAW REPORT

15 January 1996

Secretary of State for Industry v Cook and others; Employment Appeal Tribunal (Mr Justice Morison, Mrs M.E. Sunderland, Mr R. Jackson) 13 December 1996

For an employer's obligations under the employment contracts of its employees to be transferred to the new owner of its business under regulation 5 of the Transfer of Undertakings (Protection of Employment) Regulations 1981, it was not necessary (as had previously been held) to establish that the employees had notice of the transfer and knew the identity of the transferee.

The Employment Appeal Tribunal allowed an appeal by the Secretary of State for Trade and Industry against the decision of an industrial tribunal that he was liable, under section 122 of the Employment Protection (Consolidation) Act 1978 (as amended), to pay sums ranging from £320 to £510 to three former employees of an insolvent company, Gayton International Ltd.

The sole issue before the tribunal was whether Gayton,

when selling its business to another company, Intro Business Ltd, on terms which expressly acknowledged the application of the 1981 Regulations, had also transferred to Intro its indebtedness to the three employees. If so, then the Secretary of State would not be liable to pay Gayton's debts to the employees (unless, which it was not, Intro too were insolvent).

The tribunal held that there had been a transfer of undertaking from Gayton to Intro within reg 3 of the 1981 Regulations, the effect of which, under reg 5, would be to transfer all Gayton's obligations in respect of the employee's contracts of employment to Intro and not the Secretary of State.

However, although the employees were told that the business had been sold, they were not told the identity of the purchaser and did not discover it until well after the transfer. In

those circumstances, the tribunal was bound by the Employment Appeal Tribunal's earlier decision in *Photostatic Copiers (Southern) Ltd v Okada & Japan Office Equipment Ltd (in liquidation)* [1991] IRLR 11, to hold that reg 5(1) of the Regulations did not take effect and that the employees' contracts were accordingly not transferred to Intro, leaving the Secretary of State liable to pay Gayton's debts to the employees.

Robert Joy (Treasury Solicitor) for the Secretary of State; the respondents did not appear.

Mr Justice Morison said it had been held in the *Photostatic* case that a transfer of an undertaking did not take effect in relation to an employee's contract of employment: unless and until the employee is given notice of (i) the fact of the transfer and (ii) the identity of the transferee.

With respect to those involved

in that decision, his Lordship did not regard it as a correct interpretation of the Transfer of Undertakings Directive or the 1981 Regulations made to give it effect.

The purpose of the Directive was to safeguard the rights of workers in the event of a change of employer by making it possible for them to continue working for the transferee under the same terms and conditions as those agreed with the transferor (see, for example, the decision of the European Court of Justice in *Berg v Besselsen* [1990] ICR 396). Regulation 5(1) overruled the common law rule that a change in the identity of a contracting party required consent.

Until the Regulations were amended by the Trade Union Reform and Employment Rights Act 1993, it was assumed that they operated so automatically to transfer to the transferee the contracts of employment of the transferor's ex-

isting employees, whether or not the employees objected. Following a ruling of the European Court of Justice in *Konstantidis v Konstantidis* [1993] IRLR 179 that this infringed a worker's fundamental right to choose his employer, the 1993 Act amended reg 5 to allow an employee who objected to such a transfer instead to terminate his employment without being treated as having been dismissed: see reg 5(4A) and (4B).

If the *Photostatic* decision were regarded as good law, the very protection which the Directive and Regulations were designed to provide would be significantly undermined. If the employee needed to know in advance the identity of the transferee before his contract was transferred, unscrupulous employers would simply refuse to disclose what was happening. To imply such a precondition was unnecessary and conflicted with the purpose of the Regulations. Accordingly, the *Photostatic* decision should no longer be followed.

Paul Magrath, Barrister

THE INDEPENDENT

ge Lazarus

...go on to collecting money and being a college trustee. These were the authors had work which contributed to it. It was of course in and professional background. In 1970, after a first job of Gale was good. In 1970, some presented.

new employee

DOLLAR					D-MARK	
Spot	1 month	3 months	6 months	1 year	Spot	1 year
1000	—	—	—	—	0.8224	0.8224
3350	24-23	75-73	—	—	0.0472	0.0472
53800	20-21	68-69	—	—	10.000	10.000
58000	26-28	285-28	337-74	—	337-74	337-74
58000	26-28	30-40	—	—	337-74	337-74
58000	26-28	285-28	337-74	—	337-74	337-74
1286	13-14	44-45	—	—	0.0344	0.0344
23282	7-5	20-17	—	—	12.323	12.323
16494	14-15	32-25	—	—	0.0271	0.0271
17905	8-37	21-16	—	—	1.0232	1.0232
16494	8-37	10-8	—	—	1.0232	1.0232
16494	8-37	10-8	—	—	1.0232	1.0232
16494	8-37	10-8	—	—	1.0232	1.0232
33820	41-16	107-12	—	—	33.828	33.828
88888	5-10	52-91	—	—	4.5720	4.5720
13382	20-27	18-14	—	—	0.8347	0.8347
13382	14-15	32-25	—	—	0.0271	0.0271
77380	4-37	21-16	—	—	1.0232	1.0232
24787	27-30	80-85	—	—	1.5321	1.5321
16223	24-25	37-35	—	—	0.0237	0.0237
33703	1-3	—	—	—	2.5828	2.5828
14047	24-19	70-65	—	—	0.0313	0.0313

Country			Sterling	Dollar
Nigeria	330389	764800		
Kenya	50628	03850		
Pakistan	167594	254850		
Philippines	43493	283300		
India	28537	63000		
Cuba	6093	36406		
South Africa	934429	560300		
Tanzania	45470	4870		
Thailand	582457	274800		
Yugoslavia	8259	26739		

Discount calculated from spot rate. For time rates the bank's bid rate is used. For 360 day rates the bank's bid rate is used.

C-Buy		C-Sell	
New Zealand (Dollars)	23200	New Zealand (Dollars)	23200
Switzerland (Francs)	254850	Switzerland (Francs)	254850
Spain (Pesetas)	218000	Spain (Pesetas)	218000
Germany (Marks)	63000	Germany (Marks)	63000
Sweden (Kronor)	23200	Sweden (Kronor)	23200
United States (Dollars)	15375	United States (Dollars)	15375

US		Japan	
Prime	8.25%	Prime	0.50%
Discount	5.00%	Discount	2.00%
Fixed Funds	5.25%	Fixed Funds	3.00%
30-day	8.25%	30-day	0.50%
Swedish	4.00%	Swedish	1.00%
Swedish	4.00%	Swedish	1.00%

Country		% Yield	% Yield
Netherlands	8.75%	4.50	6.75
France	8.00%	5.00	6.75
Italy	8.25%	6.40	7.50
Belgium	5.00%	4.40	7.50
Spain	5.00%	5.00	6.75
UK	5.00%	4.00	7.50

1 Month		3 Months		6 Months		1 Year	
100	100	100	100	100	100	100	100
100	100	100	100	100	100	100	100
100	100	100	100	100	100	100	100
100	100	100	100	100	100	100	100
100	100	100	100	100	100	100	100

High/Low		Estimate		Open	
100.21	100.27	420.40	130.81	130.81	130.81
100.21	100.27	420.40	130.81	130.81	130.81
100.21	100.27	420.40	130.81	130.81	130.81
100.21	100.27	420.40	130.81	130.81	130.81
100.21	100.27	420.40	130.81	130.81	130.81

Option		Call/Put</
--------	--	------------

[illegible]

<p> FINSTAT - instant PC access to Financial Times Statistics For further information, call Leanne Gilliar at FT Inform on +44 171-825-8430 or email: leeanne.gilliar@ft.com </p>	<p> FINSTAT - instant PC access to Financial Times Statistics For further information, call Leanne Gilliar at FT Inform on +44 171-825-8430 or email: leeanne.gilliar@ft.com </p>
--	--

Acme Group	2382	270	170	Distribution Inc.	2229	2889	1339
Acme Trucking	2383	280	180	East Coast	2230	2890	1340
Air Star Inc.	9682	1900	1900	Emerging Markets A/C	2231	2891	1341
Air Transport	9683	1901	1901	East Coast	2232	2892	1342
Air West Inc.	9684	1902	1902	East Coast	2233	2893	1343
Air West Inc.	9685	1903	1903	East Coast	2234	2894	1344
Air West Inc.	9686	1904	1904	East Coast	2235	2895	1345
Air West Inc.	9687	1905	1905	East Coast	2236	2896	1346
Air West Inc.	9688	1906	1906	East Coast	2237	2897	1347
Air West Inc.	9689	1907	1907	East Coast	2238	2898	1348
Air West Inc.	9690	1908	1908	East Coast	2239	2899	1349
Air West Inc.	9691	1909	1909	East Coast	2240	2900	1350
Air West Inc.	9692	1910	1910	East Coast	2241	2901	1351
Air West Inc.	9693	1911	1911	East Coast	2242	2902	1352
Air West Inc.	9694	1912	1912	East Coast	2243	2903	1353
Air West Inc.	9695	1913	1913	East Coast	2244	2904	1354
Air West Inc.	9696	1914	1914	East Coast	2245	2905	1355
Air West Inc.	9697	1915	1915	East Coast	2246	2906	1356
Air West Inc.	9698	1916	1916	East Coast	2247	2907	1357
Air West Inc.	9699	1917	1917	East Coast	2248	2908	1358
Air West Inc.	9700	1918	1918	East Coast	2249	2909	1359
Air West Inc.	9701	1919	1919	East Coast	2250	2910	1360
Air West Inc.	9702	1920	1920	East Coast	2251	2911	1361
Air West Inc.	9703	1921	1921	East Coast	2252	2912	1362
Air West Inc.	9704	1922	1922	East Coast	2253	2913	1363
Air West Inc.	9705	1923	1923	East Coast	2254	2914	1364
Air West Inc.	9706	1924	1924	East Coast	2255	2915	1365
Air West Inc.	9707	1925	1925	East Coast	2256	2916	1366
Air West Inc.	9708	1926	1926	East Coast	2257	2917	1367
Air West Inc.	9709	1927	1927	East Coast	2258	2918	1368
Air West Inc.	9710	1928	1928	East Coast	2259	2919	1369
Air West Inc.	9711	1929	1929	East Coast	2260	2920	1370
Air West Inc.	9712	1930	1930	East Coast	2261	2921	1371
Air West Inc.	9713	1931	1931	East Coast	2262	2922	1372
Air West Inc.	9714	1932	1932	East Coast	2263	2923	1373
Air West Inc.	9715	1933	1933	East Coast	2264	2924	1374
Air West Inc.	9716	1934	1934	East Coast	2265	2925	1375
Air West Inc.	9717	1935	1935	East Coast	2266	2926	1376
Air West Inc.	9718	1936	1936	East Coast	2267	2927	1377
Air West Inc.	9719	1937	1937	East Coast	2268	2928	1378
Air West Inc.	9720	1938	1938	East Coast	2269	2929	1379
Air West Inc.	9721	1939	1939	East Coast	2270	2930	1380
Air West Inc.	9722	1940	1940	East Coast	2271	2931	1381
Air West Inc.	9723	1941	1941	East Coast	2272	2932	1382
Air West Inc.	9724	1942	1942	East Coast	2273	2933	1383
Air West Inc.	9725	1943	1943	East Coast	2274	2934	1384
Air West Inc.	9726	1944	1944	East Coast	2275	2935	1385
Air West Inc.	9727	1945	1945	East Coast	2276	2936	1386
Air West Inc.	9728	1946	1946	East Coast	2277	2937	1387
Air West Inc.	9729	1947	1947	East Coast	2278	2938	1388
Air West Inc.	9730	1948	1948	East Coast	2279	2939	1389
Air West Inc.	9731	1949	1949	East Coast	2280	2940	1390
Air West Inc.	9732	1950	1950	East Coast	2281	2941	1391
Air West Inc.	9733	1951	1951	East Coast	2282	2942	1392
Air West Inc.	9734	1952	1952	East			

[illegible][illegible][illegible]

FINSTAT - instant PC access to Financial Times Statistical data.
For further information, call Leeanne Gilliar at FT Information
on +44 171-825-8430 or email: leeanne.gilliar@ft.com

business & city

Business news desk: tel 0171-293 2636 fax 0171-293 2098
BUSINESS & CITY EDITOR: JEREMY WARNER

Banking group's 'superwoman' fund manager may have tried to recruit 20 colleagues to join her in a move to another firm

Now Morgan Grenfell suspends pensions chief

Jill Treanor and Peter Rodgers

Deutsche Morgan Grenfell was thrown into renewed turmoil yesterday when it suspended Nicola Horlick, the top fund manager who has been nicknamed 'superwoman' by the City.

Mrs Horlick, who heads pension fund management of £18bn for the banking group, is believed to have tried to recruit up to 20 colleagues to join her in a move to another investment management group.

But the plan appears to have misfired and she is understood to have been confronted last Sunday by Robert Smith, chief executive of Morgan Grenfell Asset Management, who subsequently made the decision to suspend her.

Mrs Horlick's nickname, a title once used by the writer Shirley Conran for a book about how to run your life, refers to her ability to juggle life at the top with looking after five children.

It came from Mrs Horlick's combination of a large family, a demanding job and marriage to another top City investment banker, Tim Horlick, chief operating officer for European investment banking at Salomon Brothers.

The suspension of the best known fund manager at DMG is a severe blow to the company, which has been rebuilding morale and attempting to persuade senior fund managers to

stay for the long term after the shock of the Peter Young scandal.

DMG denied any link with the scandal that broke last year when Mr Young, a senior fund manager, was sacked for gross misconduct after the suspension of trading in three Morgan Grenfell funds.

Mrs Horlick, 35, was on maternity leave after giving birth to her fifth child when the Peter Young scandal broke.

She is known to have been in negotiations recently with ABN Amro, the Dutch bank, but it is understood that this is not her current destination.

An investment banking source said she had gone as far as telling her clients and staff that she was joining ABN Amro, which suggests that the plan may have been well advanced.

Another source close to the affair said that ABN Amro might have found it difficult to continue negotiations with Mrs Horlick, because of the internal row that has erupted over her planned departure at DMG. ABN Amro refused to comment.

A DMG spokesman said: "We have suspended her today pending the outcome of an internal investigation which will look at a potential breach of her contract. It has nothing to do with the Peter Young affair nor any suggestion of financial impropriety."

DMG would complete its investigation into the potential

breach of contract by Mrs Horlick "as quickly as possible" but said her suspension was purely internal and had no regulatory dimension or link to last year's events.

Neil Dunford, chairman of Morgan Grenfell Investment Managers, the pensions arm, will take over day-to-day running of the operation while Mrs Horlick is suspended.

Someone who has known her since university said: 'She is so dynamic she is frightening'

Intro, the fund management regulator that is expected to levy a stiff fine soon for the Peter Young affair, does not appear to have been informed ahead of the announcement to the press.

Somebody who has known her since university said: "She is so dynamic she is frightening."

A persistent rumour in the fund management industry was that she might be going to ING Barings, which would bring full circle the row last summer when ING sued DMG for £10m

(£6m) for poaching a team of 50 of its Latin American specialists in New York. The case was settled out of court in the autumn.

JP Morgan was another rumoured employer for Mrs Horlick. There was also a suggestion in the market that she was to replace Tony Dye, the fund manager heading PDFM, who has gone out on a limb in predicting a stock market crash.

A spokesman for PDFM said: "It's categorically not true." However, shares rose on the back of the story, on the theory that PDFM would turn into a buyer of equities.

Another source said that Mrs Horlick has been unhappy with proposals by Mr Smith, her immediate boss, to switch her to management of the unit trust business until a permanent recruit could be found to fill a vacancy there.

The source said: "She is such a high flyer you'd have to ask why she'd want to go and work on that side."

After the Peter Young affair, Keith Perry, the chief executive, and three other directors of the fund management group left after an internal investigation revealed "management failings".

Mr Perry and Mrs Horlick, who was recruited five years ago from Mercury Asset Management, were regarded in the City as the two driving forces behind the success of Morgan

Grenfell's fund management business.

"Nicola's departure is going to be very disturbing. You've got to think of trustees, who will be asking who is managing our money. The fact that Nicola has gone won't stop it if those other 20 are going too," said one source familiar with the pensions management business.

The source added: "When Keith Perry had his problems, somebody had to hold it together. She was the one and she was seen as very able."

Another pension funds expert said: "She can't go without having a knock-on effect."

Initially there were suggestions that all bonuses would be cut at DMG after the Peter Young affair because of losses which could total £400m, including money injected into the funds by Deutsche Bank, the parent group.

But the reality of a competitive market for personnel left DMG promising to continue to pay bonuses to key staff and it offered lucrative contracts to the people in.

Mr Young was sacked after irregularities were discovered in valuations of his funds. He is being investigated by the Serious Fraud Office and he denies any criminal activity. The affair has already led to casualties at Morgan Grenfell Asset Management, with a purge in October of senior management.

Comment, page 17.



Superwoman grounded: Nicola Horlick's suspension is a severe blow to DMG, which has been rebuilding morale following the Peter Young scandal. Photograph: Financial Times

DTI challenges Brussels on BA

Chris Godsmark
Business Correspondent

The rift between the UK and Brussels over British Airways' proposed alliance with American Airlines deepened yesterday after the Department of Trade and Industry insisted it had the final say over approving the tie-up.

It came after Karel van Miert, the EC Competition Commissioner, had threatened on Monday to take the UK to the European Court of Justice if it pressed on with its decision to approve the alliance before the Commission had concluded its own investigation.

The DTI last night admitted the question of who had jurisdiction over the alliance was "complex" and said certain aspects of the law were "untested". However, a spokeswoman said any moves by Brussels to stop infringements of competition under European law could not prejudice UK government policy. British Airways has also insisted the Commission has no power to block transatlantic alliances of this kind.

The Office of Fair Trading has

provisionally ruled that the link-up, which would give British Airways and America control over 60 per cent of flights between the UK and US, can go ahead as long as the two carriers give up 168 lucrative take-off and landing slots at Heathrow Airport. Rival carriers claim the conditions, which leave the alliance with 3,000 Heathrow slots, are too lenient.

Mr van Miert's office yesterday vigorously defended his intervention. "This is not a declaration of war. We've been saying this about the alliance for months. What we're afraid of is that if two big guys unite forces they'll kill competition," said a spokesman.

He added that approval of the alliance was not based solely on how many slots the two airlines would have to give up. "Competitions have suggested they should give up 400 slots but it's a very blunt mistake to say this is also our view."

It also emerged that the Commission is preparing to threaten KLM, the Dutch airline, with fines if it fails to submit information on its alliance with Northwest Airlines.

Shares reach new highs as fears of rate rise recede

Diane Coyle
Economics Editor

Shares in London set a new record yesterday, boosted by an opening surge on Wall Street and by hopes that Kenneth Clarke will leave base rates unchanged after today's monetary meeting.

The FTSE 100 index ended nearly 61 points higher at 4,168.2. Figures earlier this week showed subdued inflation at the factory gate sent fears of

an early rise in the cost of borrowing into retreat.

Shares in New York opened higher after further evidence that strong growth in the US is going hand in hand with low inflation. The Dow Jones index was up nearly 40 points at 6,748.82 by mid-morning after figures showing that retail sales volumes rose 0.6 per cent last month while headline inflation was unchanged at 3.3 per cent.

The Chancellor is due to meet Eddie George, Governor of the Bank of England, this afternoon. New figures today are likely to show a fall in the number of people claiming unemployment benefit last month. The two men will also have a preview of December's headline inflation rate, expected to dip after two disappointing months.

A report yesterday predicted that the official unemployment count could fall below 1.5 million without triggering inflation.

Veteran adviser warns of crash

Robert Farrell, veteran investment adviser at the Wall Street investment bank Merrill Lynch, yesterday warned that the US stock market was heading for a 25 to 30 per cent correction later this year, dragging European shares down with it, writes Magnus Grimond.

Making his 22nd annual address to UK fund managers, Mr Farrell said the last two years had seen the best returns from US stocks since 1954 and 1955. But he said the pattern of last

year, with small capitalisation stocks topping out in the first half and large companies taking up the running in the second, was indicative of a maturing cycle.

Quality shares may be nearing "at least an interim peak", Mr Farrell said. The trigger could be a further attempt by Federal Reserve Board chairman Alan Greenspan to cool Wall Street's current euphoria.

Mr Greenspan's comment just before Christmas about the

"irrational exuberance" of markets, which caused share prices to tumble, was not just an "accidental phrase", he said. This time 100 million mutual fund holders could be hit in any share slide, compared with just 30 million in the 1987 crash.

Mr Farrell said he expected that the final peak would be reached later in the year, with earnings disappointments and the threat of higher interest rates hitting sentiment.

Investment column, page 18.

Southampton shines as football clubs flex for action

Patrick Toohar

The enduring appeal of football clubs to investors continued yesterday when shares in the company that merged with Southampton, the struggling Premier League side, soared on their return to the stock market.

Sentiment towards the sector was also helped by the appointment of Kenny Dalglish to succeed Kevin Keegan as manager of Newcastle United, putting the Geordie club's planned £200m flotation back on track.

Also lining up for a slice of stock market action was Sheffield United, whose shareholders yesterday approved a £9.9m reverse takeover of the club by Conrad, a quoted leisure group, and fellow Division One club Charlton Athletic, which confirmed plans to float on the Alternative Investment Market.

Shares in Secure Retirement, the property development and healthcare group which reversed into Southampton, closed last night at 150p after being suspended at 47p before Christmas.

Rupert Lowe, chairman of both Secure Retirement and the new holding company, Southampton Leisure Holdings, denied suggestions the club had been bought on the cheap. "The market likes the merger. The two have come together very nicely," he said.

But analysts said the £10m reverse takeover, which valued Southampton at the equivalent of its annual turnover, looked a steal when compared to fellow Premiership club Sunderland, whose newly floated

shares are already trading on over eight times sales.

Mr Lowe was at a loss to explain the difference in valuation: "It is difficult to say. Perhaps it is because we have a full listing. I think Sunderland are quoted on AIM."

In fact, both clubs enjoy full stock market status, though Sunderland, unlike Southampton, have already funded their planned move to a new stadium.

Mr Lowe also held out an olive branch to a consortium led by Sir David Frost, the broadcaster,

who last month failed to buy a large stake in Southampton.

"They effectively plagiarised our offer and hoped to change the course of our deal but as a combined team we would welcome them," he said. "The door is always open."

Mr Lowe said a meeting between the Frost consortium, which includes Gavin Davies, chief economist at US investment bank Goldman Sachs, and the new Southampton board could take place in the next few weeks.

The arrival of Mr Dalglish at

STOCK MARKETS									
FTSE 100		Dow Jones		Nikkei		Hang Seng		ASX	
4168.20	+60.90	6748.82	+39.00	15859.50	+100.00	10000.00	+100.00	10000.00	+100.00
FTSE 250	4567.20	FTSE 350	2089.70	FTSE SmallCap	2257.68	FTSE All Share	2042.95	New York	8755.75
YTD %	+1.68	YTD %	+1.68	YTD %	+1.68	YTD %	+1.68	YTD %	+1.68
1 Jan	4107.30	1 Jan	6709.82	1 Jan	15759.50	1 Jan	9900.00	1 Jan	8655.75
15 Jan	4168.20	15 Jan	6748.82	15 Jan	15859.50	15 Jan	10000.00	15 Jan	8755.75
1 Jan	4107.30	1 Jan	6709.82	1 Jan	15759.50	1 Jan	9900.00	1 Jan	8655.75
15 Jan	4168.20	15 Jan	6748.82	15 Jan	15859.50	15 Jan	10000.00	15 Jan	8755.75

INTEREST RATES									
Short sterling		UK medium gilt		US long bond		Euro area		Japan	
3m	5.75	3m	5.75	3m	5.75	3m	5.75	3m	5.75
6m	5.75	6m	5.75	6m	5.75	6m	5.75	6m	5.75
12m	5.75	12m	5.75	12m	5.75	12m	5.75	12m	5.75
15 Jan	5.75	15 Jan	5.75	15 Jan	5.75	15 Jan	5.75	15 Jan	5.75
1 Jan	5.75	1 Jan	5.75	1 Jan	5.75	1 Jan	5.75	1 Jan	5.75
15 Jan	5.75	15 Jan	5.75	15 Jan	5.75	15 Jan	5.75	15 Jan	5.75

CURRENCIES									
£/\$		£/DM		£/¥		£/A\$		£/NZ\$	
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001
1.6680	+0.002	1.9386	-0.002	167.10	+0.01	0.6515	-0.001	0.6515	-0.001

BT cuts overseas call prices

British Telecom yesterday ignited a new phase in the price war, announcing cuts in the cost of international calls to 33 countries, worth £70m a year, writes Chris Godsmark. Mercury pledged to review its prices, but claimed it was still cheaper.

The most significant reduction by BT is a 20 per cent cut in the price of all calls to the US and Canada. It means a five-minute daytime call to the US falls from £1.49 to £1.19, or £1.07 including the Friends and Family discount scheme.

Other reductions include cuts of between 10 per cent and 20 per cent on calls to Germany and France, while calls to Australia and New Zealand fall by 10 per cent. Calls to Sweden plunge in price by 37 per cent.

The cuts narrow the price gap with Mercury and the cable companies and are likely to go some way to meeting the challenge from a growing band of bargain operators.

Analysts said the move was in response to the UK's decision to open up the market in international traffic, previously a duopoly between BT and Mercury, to 44 operators.

Separate figures yesterday confirmed the pick-up in the housing market. Halifax reported a 4.5 per cent rise in the fourth quarter of last year, taking the annual rate in the booming capital to 14.9 per cent.

Market report, page 19

month as evidence of the success of its economic policies, although the decline was exaggerated by the introduction of the jobseekers' allowance.

Separate figures yesterday confirmed the pick-up in the housing market. Halifax reported a 4.5 per cent rise in the fourth quarter of last year, taking the annual rate in the booming capital to 14.9 per cent.

Market report, page 19

TENDER OFFER BY WESSEX WATER PLC

The "Company" to repurchase up to 10.5 per cent of its ordinary shares of 60p each ("Ordinary shares"), other than those held by UK Waste Management Holdings ("WMI"), at 380p per Ordinary share (the "Tender Offer") and the proposed repurchase of 10 per cent of the Ordinary shares, and all of the B shares and C shares, held by WMI on 18th December 1996, at 355p per share (the "WMI Repurchase").

The Tender Offer is open to Qualifying Shareholders, who are those shareholders on the register at the close of business on 15th January 1997 (excluding WMI), and will close (unless extended) at 3.00 p.m. on Friday 24th January 1997.

Summary of the terms and conditions of the Tender Offer

Under the Tender Offer, each Qualifying Shareholder is invited to sell Ordinary shares to the Company as follows:

- a sale to the Company of up to 10 per cent of their holding at a price of 380p per Ordinary share; and
- in addition shareholders with an aggregate holding of 200 Ordinary shares or less will be given the opportunity to sell to the Company all their Ordinary shares under the Tender Offer at 380p per Ordinary share.

The Company will not accept tenders of Ordinary shares under the Tender Offer unless: (a) the WMI Repurchase becomes unconditional; and (b) the Special Resolution authorising and approving the terms of the contract for repurchase of Ordinary shares by the Company is passed at the Extraordinary General Meeting (the "EGM") convened for 11.00 a.m. on 15th January 1997 (together the "Conditions"). At any time before the EGM the Company reserves the right, in certain circumstances, in its absolute discretion to lapse the Tender Offer.

The number of Ordinary shares tendered under the Tender Offer is expected to be repurchased by the Company by 10.00 a.m. on 29th January 1997. A list of tendering shareholders together with the forms of purchase contract will be available for inspection at the Company's registered office at Wessex House, Pangbourne, Reading, RG8 7AT, and at the offices of Linklaters & Paines, Barrington, House, 39-47 Gresham Street, London EC2V 7JA for 15 days ending with the date of the EGM and at the EGM itself. If the Conditions are satisfied the repurchase of Ordinary shares is expected to take place on 14th February 1997.

This is a summary of the terms of the Tender Offer full details of which are contained in the Tender Offer document dated 7th January 1997 (the "Circular").

Procedures for tendering

The Circular and its accompanying Tender Forms have been posted by the Company to registered holders of Ordinary shares. Qualifying Shareholders wishing to tender Ordinary shares should lodge their duly completed Tender Forms, together with their share certificates and/or other documents of title by post to The Royal Bank of Scotland plc, Registrars' Department, New Loan Section, PO Box 839, Consort House, East Street, Bournemouth, Dorset BH9 9JF, or by hand to that address or to The Royal Bank of Scotland plc, Registrars' Department, New Loan Section, PO Box 633, 5-10 Great Tower Street, London EC3R 3ER, so as to arrive not later than 3.00 p.m. on 24th January 1997. Copies of the Circular may be obtained from The Royal Bank of Scotland plc at each of the addresses above.

15th January 1997

Ciro Citi takes Du Co into the

15th January 1997

Farrell rings New York alarm bell

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Fund managers who are nervous about the prospects for the US market this year will draw inspiration from the thoughts of Robert Farrell, the widely respected investment adviser to Merrill Lynch. In London yesterday to address the UK investment community, Mr Farrell is unrelentingly bearish about the prospects for US shares, predicting a 25 to 30 per cent correction in the soaring New York market in 1997. He reckons investors will get a fantastic of what is in store in a fast-approaching "interim peak" for large capitalisation stocks, which have led the 33 per cent advance in the Dow Jones Industrials index over the past year. But he suggests the final top could come with earnings disappointments later in the year.

He does not have to look far to support these gloomy predictions. Two key investment yardsticks stand out. The average dividend yield on American shares has hit a historic low of just 2 per cent, while the price/earnings ratio for the smaller capitalisation Nasdaq market has reached a gravity-defying 49.6.

Those two factors alone should set alarm bells ringing, but Mr Farrell points to the equally worrying spirit of euphoria sweeping Wall Street. Instead of paying down debt or making higher payments to shareholders, company managements are using excess cash to buy back shares, which boosts the value of the share options they grant themselves instead of salaries. The increasing value of shares means companies are financing record takeover activity, topping \$600bn last year, by issuing paper rather than paying cash.

The problems do not just lie with the "real" economy and companies. US stock markets are also crashing through the record book, with New York share volumes hitting new highs in the first half of 1996 and new issues also at a new high. The burst of speculation in small capitalisation stocks which peaked halfway through 1996 usually sees larger companies following suit some six to seven months later, Mr Farrell claims, pointing to his "interim peak" in the Dow any time now.

Among the many pointers to 1997 being a down year, he highlights the unerring record of market declines when the first post-election year is the seventh in the decade. The record \$1.45m paid for a seat on the New York Stock Exchange is another.

But the massive flow of money into mutual funds, the US equivalent of unit trusts, looks a more solidly-based in-

dicator of trouble in store (see chart). The only consolation for investors is that Mr Farrell reckons this year will be a four-year cyclical low, rather than the major bear market which occurs every 20 to 25 years.

Matthew Clark explains it all

The gamblers who snapped up Matthew Clark shares last week at 258p got their reward yesterday after the cider maker moved on to the front foot with a sensible recovery strategy following the disaster of last year's profit warning. Another 28p jump left the shares at 331.5p, well below the 801p at which they peaked last May but a handsome profit for the short-term traders.

Investors had every reason to expect a pretty full explanation of what went wrong and what Clark planned to do about it, which broadly speaking they got. The chief executive, Peter Aikens, has effectively been given a chance to dig the company out of the hole he dumped it in.

The problems that led to a 26 per

cent decline in earnings per share during the six months to October have been pretty well documented. Clark's main premium bottled cider, Diamond White, experienced a slump in sales starting in the autumn of 1995 thanks to under-investment in marketing and increased competition from alcoholic "soft" drinks.

Blackthorn, its mainstream brand, lost market share due to lack of promotion and a price war which savaged the off-trade. Customer service was allowed to drift and management lost touch with what was going on in the subsidiaries.

The solutions sound a lot less dramatic than the problems, but are the right moves none the less. Diamond White will spend £2m trying to regain the fickle attention of its target market of 18 to 24-year-old women.

A truce has been called with Bulmer in the price war and Blackthorn is to be relaunched with the lion's share of a new £8-10m above-the-line advertising budget. If it sounds as if Clark has brought in expensive consultants simply to tell it how to run a branded marketing operation, that's because it has.

The question for investors is whether Clark can bounce back. The most op-

timistic analysts are pencilling in profits for the full year of £46m, to give earnings per share of 35.6p and a prospective price/earnings ratio of nine. The promise of a maintained final dividend after the interim payout was held projects a yield of 9 per cent. By most measures the shares look good value but until fine words are translated into profitable action this remains a punter's stock.

Hodder boosted by Le Carré

John le Carré's new book *Desperation* combined with the new Stephen King tome and the Kenny Dalglish autobiography to ensure an upbeat Christmas at Hodder Headline, the aggressive publisher.

It was sales of hardback blockbusters such as these that were behind a 9 per cent increase in like-for-like sales in the last quarter of 1996. Sales were also 9 per cent ahead in the 12 months to 31 December.

But, healthy as these figures were, Hodder will need a few more stage-managed sales to help win back the friends it lost in 1995 when a profits warning knocked a third off the share price. The shares have been going nowhere ever since as investors have stayed away.

At the time of the warning, Hodder blamed destocking by big customers such as WH Smith and a rise in the price of paper for its dented margins. This was true but not the whole story. Some of the problems were self-inflicted, with poor stock control and a poor mix of sales which was skewed towards lower-margin exports. There was also an element of letting the market run away with over-optimistic expectations after Hodder made a fortune out of *Schindler's List*.

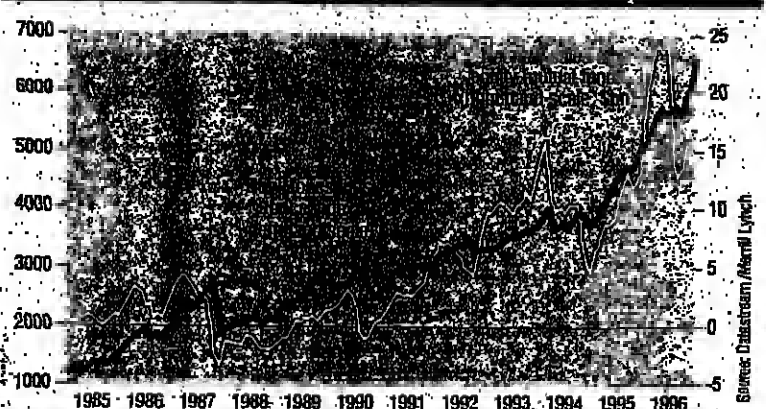
But things seem to have changed at Hodder. There is a new finance director and a more cautious approach at the company.

However, investors may need a little longer to forget the trials of the recent past. While the collapse of the net book agreement has led to a significant rise in hardback fiction, the market as a whole has increased only modestly.

The good news for Hodder is that, while the demise of the NBA caused more upheaval than anticipated, Hodder should ultimately benefit as it has a strong presence in hardback fiction.

House broker NatWest is forecasting full-year profits of £6.5m this year. With shares up 5p to 225p yesterday, they trade on a forward rating of 17. High enough.

Mutual fund investment leads shares prices



US elections and the stock market

Pre election year	5th year in decade	Electoral year	5th year in decade	Post election year	7th year in decade
1915	+47%	1916	-4%	1917	-25%
1935	+38%	1936	+25%	1937	-33%
1955	+19%	1956	+3%	1957	-13%
1975	+37%	1976	+10%	1977	-17%
1995	+35%	1996	+28%	1997	-

*Note: up sharply until November

More project delays hit Babcock shares

Magnus Grimond

Babcock International's shares slipped 4p to 71p yesterday after the engineering to dockyard group said work on a big Australian project for Hanson's SCM chemicals operation had been deferred well into 1998. The news comes just two months after the contract, announced in July, was put back to next year.

The group, which last month paid £20.5m for the privatised Rosyth naval dockyard in Fife, said the latest delay would not have any significant impact on this year's results, but would reduce revenues for the year to March 1998 by around £8m. Some of this will be offset by a

£10m contract with British Chrome and Chemical, an offshoot of Harrison & Crossfield, to build a new chromic acid plant on Teesside, which was also announced yesterday.

Graham Webster, a Babcock follower at Merrill Lynch, said the impact on profits was not huge but he was shaving his forecast for next year by £2m, having cut the figure for the current year by the same amount in November. He is now looking for profits to rise from £3.1m to £7m in the year to March, and to still more than double to £15m in the following 12 months.

He said the latest news was less important than the Rosyth deal. Given that it contributed

£11m or £12m to annual profits, management had picked up the yard on "very, very good terms", he said. "Compared to Rosyth, this is just a niggly. It is not dramatic, but it is a nuisance."

Babcock, chaired by John Parker, has a large engineering services role in the Hanson-SCM Kemerton project, which involves the construction of a titanium dioxide plant in Australia. Mr Webster said the work on the Teesside plant, claimed to be the largest of its type in the world, would be at lower margins than the business deferred, although he expected Babcock to pick up further replacement work over the next six to nine months.

Trocadero gears up for Giant Drop

Tom Stevenson
City Editor

Trocadero, the leisure company spun off from property group Burford, said it was to open three new attractions at its central London Pepsi Trocadero indoor complex, including a free-fall ride.

The Giant Drop will haul passengers up 125 feet in a small cabin before plunging them in free-fall towards the ground until electro-magnetic brakes bring the cabin to a halt.

Trocadero said it was seeking a sponsor for the £2m Giant Drop, which it said would be the first indoor free-fall ride of its

kind in the world. It is under construction in Switzerland and is due to be opened in summer.

The company also said it was opening a £5m Rainforest Café, featuring live and animated wildlife and special effects, and a £5m Imax 3D cinema.

It said these latest investments followed a £50m refurbishment programme and last September's opening of the Segaworld indoor theme park, which occupies the top five floors of the building.

Trocadero, listed on the Alternative Investment Market, was one of the fledgling market's strongest performers in the early part of last year.

Ashquay bid fails on technicality

One of the most closely fought takeovers in recent years ended in the narrowest of escapes for UK Estates yesterday after rival property group Ashquay failed to carry off its £21m prize on a technicality, writes Patrick Toole.

Ashquay was denied victory by a late-night Takeover Panel ruling that a 4.26 per cent stake in UK Estates bought by Ashquay from the Co-Op after Monday's bid deadline had passed could not be included among the acceptances as it had not been registered in time.

As a result Ashquay said its all-share offer for UK Estates had lapsed after it gained control of only 45.78 per cent of the target's ordinary shares. Ashquay retains a 9.9 per cent holding in UK Estates.

UK Estates said it was delighted the bid had failed, although defending it had been expensive.

Shares in UK Estates fell 4p to 24.5p on the news, while Ashquay dipped a penny to 39p. Ashquay said it would proceed with a one-for-six rights issue to raise £1.5m to fund the costs of the bid.

Company	Turnover £	Pre-tax £	EPS	Dividend
AIM Group (1)	35.1m (24.3m)	2.90m (1.99m)	15.3p (7.2p)	3p (1.5p)
Anglo American (2)	1.8m (1.6m)	0.31m (0.44m)	0.23p (0.27p)	0.1p (0.1p)
Blackly (1)	28.8m (27.2m)	6.26m (5.62m)	7.4p (6.3p)	2.5p (2.2p)
Buckland Group (1)	17.2m (13.1m)	0.25m (0.26m)	1.2p (1p)	0.25p (0.5p)
Debt Trustees & Chambers (1)	30.2m (27.8m)	1.86m (1.94m)	2.40p (2.22p)	0.9p (0.8p)
Deutsche Bank (2)	50.9m (50.7m)	2.42m (3.02m)	9.05p (11.19p)	2.1p (1.1p)
Electronics Corporation (2)	9.27m (7.89m)	1.69m (1.26m)	3.15p (2.36p)	0.5p (1p)
Matthew Clark (1)	23.0m (17.4m)	21.6m (15.4m)	16.8p (22.9p)	9p (9p)
Quality Care Homes (2)	22.1m (17.0m)	8.61m (4.80m)	33.3p (27.4p)	3.4p (4.9p)
Reynolds Systems (2)	0.32m (0.61m)	-1.26m (0.40m)	-5.56p (2.1p)	nil (nil)
Shedden (1)	1.25m (1.09m)	-0.76m (0.10m)	-0.49p (0.63p)	nil (nil)
Unit (1)	18.4m (18.97m)	-0.53m (0.28m)	-4.42p (2.71p)	1.5p (1p)
WE Holdings (1)	20.1m (17.5m)	1.01m (1.20m)	2.1p (2.5p)	nil (1p)

(1) - Fiscal (2) - Market (3) - Figures for 6 months to 30/09/97, pre-tax

The guru steps into hot water

PEOPLE & BUSINESS



Looking for a top: Bob Farrell of Merrill Lynch

Bob Farrell, Merrill Lynch's investment guru of 40 years' standing, put this fascinating photo of himself on the cover of his latest annual address to the investment community.

Quite what the connection is between Mr Farrell emerging from a hot tub on a boat beneath London's Tower Bridge and his talk's title, "Putting a Market Top in Place", eludes me.

Perhaps his thesis for his 22nd address in London, that US markets are about to "take a bath", is the key. Or there again it could be his advice to investors: "Go liquid."

The ironically dry Mr Farrell says the picture is "the perfect sign of a market top - this market guru out sailing in a hot tub on the Thames". He adds that it is just as well it was not a market bottom - "otherwise I would have been upside down".

Pity the poor postmen - but buy shares in web-offset printers. The reason is simple. You know all those millions of circulars being sent out by building societies which are converting to banks?

Due to this deluge of paper from Halifax, Woolwich and Alliance & Leicester, the post office has introduced emergency measures. It has found that posties can carry only 30 Halifax conversion packs at a time, so vans have been sent out to carry the extra bump to your doors.

What's more, it emerges that there is no free capacity for web-offset printing in Europe at the moment, because they're all working overtime to cope with the building societies. So buy shares in printers. My tips are Watmoughs and St Ives.

Now the dust is settling on years of conflict at Lloyd's of London the various combatants are putting down their lawsuits and picking up their pens.

Christopher Stockwell, chairman of Lloyd's Names Association's Working Party, is thinking about writing a book but is being held up by "loose ends thrown up by the Lloyd's settlement".

Colleagues of John Rew, chairman of the Sturge Names' Action group, are urging him to chronicle the goings-on at Sturge.

David Beaver became part of the great Warburg exodus when he resigned as managing director of SBC Warburg last November in order to join accountants KPMG as head of corporate finance. Now he has been appointed non-executive director of TLS, the fast-growing vehicle rental company.

Mr Beaver tells me: "I've known TLS for quite a considerable length of time. I worked on leasing at Warburg in the early days, and I hope that this and my corporate finance experience will be useful."

Mr Beaver is still a non-exec at Northern Electric, but he doesn't anticipate this post lasting, since CalEnergy recently bought out the company in a fiercely contested takeover battle. He is also a non-exec at London and Continental Railways, which is developing the Channel Tunnel rail link and which owns Eurostar.

TLS should be more than just a time-filler for Mr Beaver, since it has quadrupled in size over the past couple of years.

John Willcock

Make living with easyJet your New Year's resolution

Daily Scheduled Services

4 x Glasgow	£29
4 x Edinburgh	£29
3 x Aberdeen	£29
1 x Inverness	£29
3 x Amsterdam	£35
1 x Nice	£49
1 x Barcelona	£49

Now the dust is settling on years of conflict at Lloyd's of London the various combatants are putting down their lawsuits and picking up their pens.

Christopher Stockwell, chairman of Lloyd's Names Association's Working Party, is thinking about writing a book but is being held up by "loose ends thrown up by the Lloyd's settlement".

Colleagues of John Rew, chairman of the Sturge Names' Action group, are urging him to chronicle the goings-on at Sturge.

easyJet

Call 0990 29 29 29 anytime

OFFERS END 18th January

Interest Free Credit*

See Payment Details Below

Buy Now Pay Later

£999.93 inc VAT

Unbeatable Price!

£851 +VAT

P150+ Best Buy (recommended)

- 16MB RAM; 256K cache
- 1080MB Hard Disk
- Full Multimedia
- 64-Bit Graphics & MPEG
- Massive Software Bundle
- FREE Fax/Internet Modem
- Interest Free Credit*
- FREE Joystick & 10 CD Bundle

Included Software Bundle

- Microsoft Windows 95 with manual and CD
- Lotus pre-installed software suite including Word Pro word processor, Lotus 1-2-3 spreadsheet, Approach file database, Organizer & SmartSuite graphics
- CD-ROM pre-installed suite including Microsoft Paint, Publisher and Microsoft Word
- QuickDraw 3D software suite and QuickDraw 3D software and 10 CD-ROM discs (1000 discs only)

3 Ways to Pay

1. Pay with Debit Card
2. Pay with Credit Card
3. Pay with 12 Monthly Instalments

Other Multimedia Models

P150+ Performance Multimedia	P166+ Ultimate Multimedia	P166 Multimedia
£1115.00	£1350.00	£1491.00
Buy Now Pay Later	Buy Now Pay Later	Buy Now Pay Later

Wainwright back as Scotland captain

Wainwright, who relieves Gregor Townsend of the captaincy, skipped Scotland in New Zealand last summer but sacrificed the first half of the current campaign to undergo surgery on his various ailments. He returned to action with Watsonians, his Edinburgh-based club, just before Christmas and then impressed with his displays for Caledonia in the inter-district championship. His return to the hack row will give the Scots far greater presence on the pitch but the real benefit may well be felt in the dressing room.

In total, seven English-based players will take the field for the Scots. That number is likely to rise before very much longer as Kenny Logan, the Stirling County wing, is being linked with a move to Saracens.

ick), S Hastings (Watsonians), & Townsend (Northampton), K Logan (Strling Co); C Chalmers (Melrose), & Armstrong (Newcastle); D Hilton (Bath), K McKeezie (Strling Co), M Stewart (Northampton), & Weir (Newcastle), A Reed (Waspi), P Wilson (Newcastle), R Wainwright (Watsonians, capt), M Wallace (Gr+Q), Regiments: D Stark (Aberdeen), R Eriksen (London Scotland), & Redpath (Melrose), S Munro (Gr+Q), T Smith (Watsonians), & Elts (Cume).



Stewart more than happy to lead double life

Only an hour's play was possible on the second day of England's opening first-class fixture in New Zealand, Stewart racing

White 4-15).

ENGLAND - First Innings
(Overnight: 106 for 3)

1A J Stewart not out75
N Hussain not out11
Extras (lb4, nb4)8
Total (for 3, 47.3 overs)154

To bat: G P Thorpe, J P Crawley, C White, P G Cork, C E W Stevenson, P C R Tufnell.
Bowling: Morrison 14.3-3-33-2; Kearney 8-2.1-1; Vaughan 10-2-49-0; Watersen 7-1-22-0; Haslam 8-4-15-0.

Umpires: S Durie and P Quesed.

Syndicate resurfaces

The British team, which has paid the \$100,000 (£60,000) entry fee, is not expected to sign any big names before the February deadline to meet nationality rules. But Witty, who has been undergoing heart surgery, said: "We think we should do it. The timing is right and we need to demonstrate to potential backers that we are in and running."

New rules attacked

"I don't think any team can get the amount of testing it wants to now. I can understand the philosophy behind the changes, but I am a little free-market orientated and testing, although expensive, is the cheapest way of developing a racing car," Dennis said at McLaren's headquarters in Woking, Devon.

O'Neal enlivens the Lakers

Yet two months into the season there is no denying the impact the 7ft 4in player is having on the Lakers. They lead the Pacific Division, one game ahead of last season's play-off finalists, the Seattle Simersonics. Once

The 24-year-old centre is in the NBA's top five in scoring, rebounding, blocked shots and field-goal percentage. O'Neal has scored 20 or more points in 27 consecutive games, the longest such run in the NBA, and has led the Lakers' scorers in 30 out of 36 games and in rebounding in 32 out of 36.

Jones said: "We've got Shaq inside, good shooters outside, good rebounders and guys that play defence. We've got guys that can do every little thing out there for us."

■ John Amaechi, the England international who plays for Panathinaikos in Greece, is the English Basketball Association's men's player of the year. Sheffield Hatters' Vanessa Ellis won the women's award.



INDEPENDENT FANTASY FOOTBALL

LATEST RESULTS AND TOP 50 TEAMS

Top Fifty LEAGUE TABLE

CALCULATED ON MATCHES PLAYED FROM 17 AUGUST - 5 JANUARY

POS	NAME	TEAM	POINTS
1	MR PETER FRANKENTAL	JOSI MARTI	634
2	MR JOHN COOK	SMUTHILL FC	612
3	MR SIMON DRAPER	PLATE FC	614
4	MR ASHLEY BRETTE	REAGATION 12	607
5	MR SIMON LIU	DEFENCE ROVERS	607
6	MR R FRANKENTAL	ARLINS	605
7	MR PAUL RICHARDSON	CINCINNATI STORM	605
8	DR STEPHEN MATTHEWS	EMERALD BATES	599
9	MR JONATHAN MCCROSSIN	WASH TOP ARMY	599
10	MR DAVEN GREEN	NOR THE AZURE	599
11	MR NICK KNIGHT	KNIGHT'S NANA HEAD	598
12	MR S KING	CRUISING ALEXANDRIA	598
13	MR WILLIAM BARR	KRAUSER FC	598
14	MR R PIRRIE	DESDALE VILLA 7	597
15	MR M BENICK	WILD ROVERS	597
16	MR ROBERT GREENFIELD	THE GULLS	597
17	MR ANDREW BURHAN	WIMLEEDON STUPID HEADS	596
18	MR D R KENNEDY	HARTING UNITED	596
19	MR PAUL MATTHEW	THE DOOR MAT	595
20	MR GARY HARRIS	101 ALL STARS	594
21	MR J GODWIN	NORWOOD	594
22	MR GRAHAM LONGDAINE	SANDLINGS STROLLERS	594
23	MR SCOT LYNEFF	MOO HA SERENADERS	593
24	MR JONATHAN FURNISS	NESTLE CARDERS	592
25	MR G MURPHY	CLEAN SHEETS FC	591
26	MR BIL COOPER	YEP HEE 200	591
27	MR S LAWRENCE	TESSA'S LITTLE MARVELS	590
28	MR GARETH MCCULLLEN	GAULFIE'S BOYS SECOND	590
29	MR ADAM HOGG	BLAGGY HOGG	590
30	MR BARRY LEE	LEE MANOR	590
31	MR J TARBOW	WARDEN	590
32	MR ANDY LAKE	IF ANYONE CAN TOUCH	590
33	MR IAN ZEDER	THE FOOTBALL BANANTS	589
34	MR DUNCAN FULLER	E & A B BERS	589
35	MR MARK SHELVEY	FORTRESS ROVER	589
36	MR NICK YAP	CLUT OF MIND	589
37	MR K B MALCOLM	INTER MALCOLM	589
38	MR KEITH WATSON	RECREATION OPPORTUNITIES	588
39	MR C NOBEL	T O F T	588
40	MR J MORTIMER	I KNOW YOUR WIFE	588
41	MR M THOMAS	BAGGY BOYS IN STRIPES	587
42	MR STEVEN HART	KISS COWBOYS	586
43	MR D ROBINSON	DOUBLE D	586
44	MR R A FARMHAM	NEW MARKET WELSH	586
45	MR DAVID ASHTON	THE LODGERS	585
46	MR IAN GROUT	SILK CITY	585
47	MR J JOLLEY	JIMBO'S	585
48	MR PETER SHERLOCK	LINCOLN ST GILES	584
49	MR CHRIS SCOTT	BRUCE LEE F.C.	584
50	MR S KING	CRUISING ALEXANDRIA	584

THE INDEPENDENT

Today we publish the latest results in our Independent Fantasy Football game, supported by Philips Energy Saver Light Bulbs.

The Team Market and Scores table published below, shows four scores. The Week 22 (Wk 22) column lists all points scored in matches played between Monday 6 January - Sunday 12 January inclusive. Column B lists all points scored before the transfer period. Column A lists all points scored after the transfer period. The Overall (Ov) column lists the total amount of points scored in all matches played from Saturday 17 August - Sunday 12 January.

Also published today is the Top 50 League table (see left). It lists the overall top scoring Independent Fantasy Football managers and their teams for matches played between Saturday 17 August - Sunday 5 January.

SCORING SYSTEM

4 points for a goal ■ 3 points for a goalkeeper/defender clean sheet ■ 3 points for a successful assist ■ 1 point when a player is selected and plays ■ 1 point for a winning goal ■ 3 points for a manager win, 1 point for a draw ■ Lose 1 point for a yellow card ■ Lose 3 points for a red card

INDEPENDENT ON SUNDAY

The overall Top 50 League table will be printed every Wednesday and again on Sunday.

Terms and conditions as previously published

PRIZES

The overall winner at the end of the season will be the entrant who has accrued more points than any other Independent Fantasy Football team in that time. Win the ultimate prize - a trip to the 1998 World Cup in France. The winner, plus companion, will see all the action of a quarter-final and a semi-final of their choice, plus the final. In addition, the highest scoring team each month will win a pair of tickets to one of England's World Cup qualifying games at Wembley.

TEAM MARKET AND SCORES

OVERALL SCORE CALCULATED ON MATCHES PLAYED FROM 17 AUGUST - 12 JANUARY; WEEK 22 SCORE CALCULATED ON MATCHES PLAYED FROM 6 JANUARY - 12 JANUARY

CODE	PLAYER	TEAM	POINTS	VALUE	CODE	PLAYER	TEAM	POINTS	VALUE						
			W22	B	A	Ov		W22	B	A	Ov				
GOALKEEPERS															
310	Seaman	ARS	5	2	3	10	5.9	477	Ruddock	LIV	5	2	3	10	5.9
311	Bosnich	AV	1	2	1	40	5.9	478	Scallan	LIV	0	0	0	0	0
312	Hewson	BLA	5	1	19	38	5.7	479	Hartman	MU	1	0	0	0	0
313	Kharin	CHE	0	0	12	0	5.7	480	Neville (G)	MU	0	0	0	0	0
314	McGee	CHE	0	0	12	0	5.7	481	Neville (F)	MU	0	0	0	0	0
315	Ogden	CHE	0	0	12	0	5.7	482	Irwin	MU	0	0	0	0	0
316	Seaman	ARS	5	2	3	10	5.9	483	Palmer	MU	0	0	0	0	0
317	Seaman	ARS	5	2	3	10	5.9	484	Palmer	MU	0	0	0	0	0
318	Seaman	ARS	5	2	3	10	5.9	4							



Crying game

Jennifer Capriati in tears after Australian Open defeat, page 21

sport

Stewart's double life

England's wicketkeeper-batsman on his dual responsibilities, page 20

FOOTBALL: Former Liverpool and Blackburn manager is unanimous choice of Newcastle board to replace Kevin Keegan

Dalglish accepts the challenge

PETER PARKER

Kenny Dalglish has returned to football management as Kevin Keegan's successor at the helm of Newcastle United.

Newcastle's chairman, Sir John Hall, confirmed the Scot's appointment at a news conference at St James' Park yesterday evening after news of the club's decision had leaked out earlier from Rangers, for whom Dalglish had only just begun working in an advisory capacity.

Sir John, who said the appointment had the unanimous backing of the board, thanked Keegan for his work as manager over the past five years before saying of Dalglish, "I am certain with his record he will do wonders at this club, a club with great expectations."

That record includes two championships, with Liverpool and Blackburn Rovers, but he also left both those clubs after taking them to the pinnacle of the domestic game.

Dalglish, who also succeeded Keegan as Liverpool's No 7 in 1977, signed a three-and-a-half year contract and stressed he was looking to build on the legacy of the Keegan years on Tyneside. "Kevin set tremendous foundations here and everyone appreciates what he did for Newcastle. I am looking forward to taking over from someone who's done a superb job," he said.

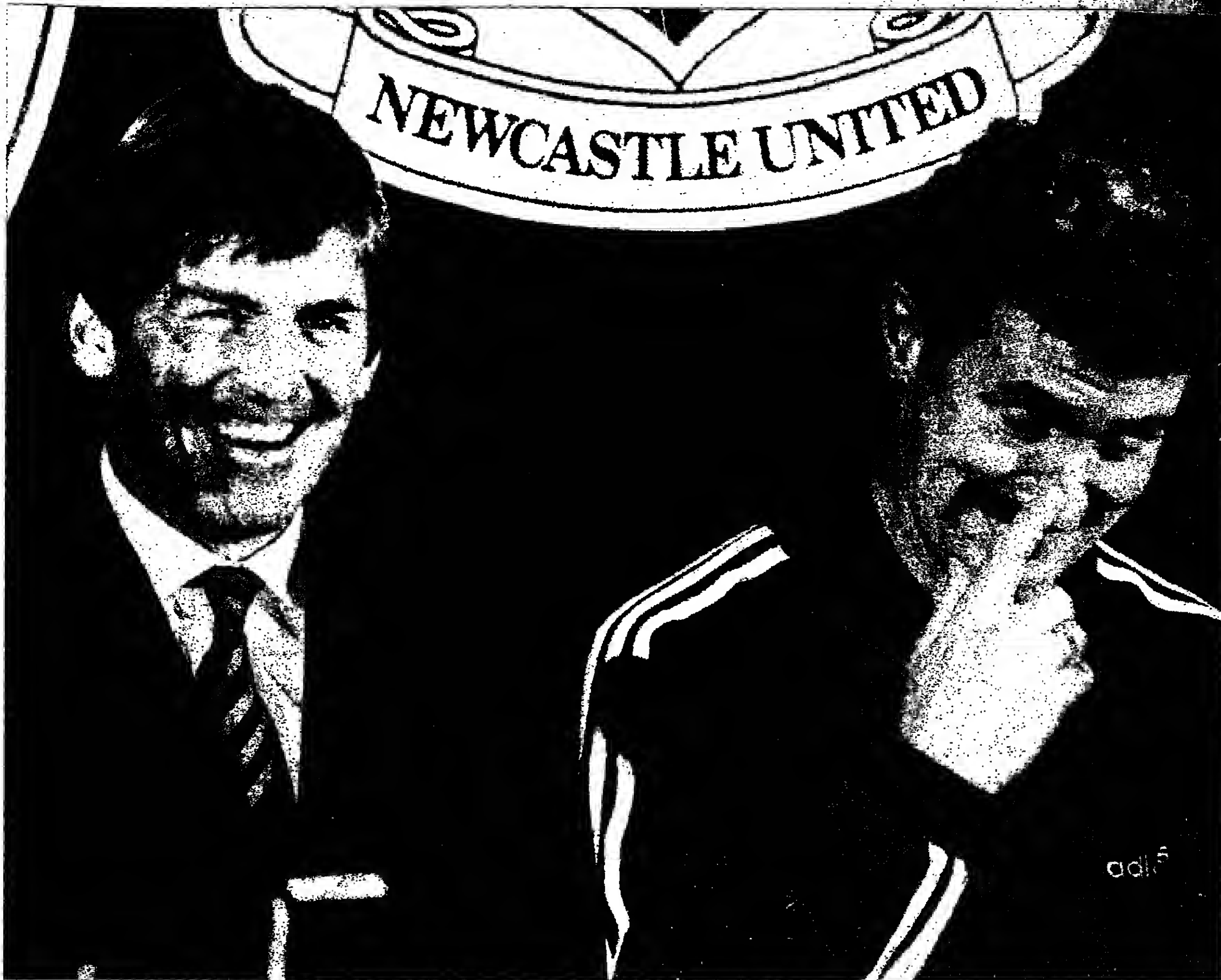
Despite retreating from the pressure at Anfield in 1991 and moving upstairs as director of football at Ewood Park before leaving in 1995, Dalglish said he had not been able to resist the chance to return to management at a club of Newcastle's standing. He said: "There was no rush for me to get back into management but when a job comes along of this stature it's difficult to turn it down."

Dalglish said he would keep on former his Liverpool teammate, Terry McDermott, and the chief scout, Arthur Cox, who took charge of the team in the wake of Keegan's departure. They will stay in command for the FA Cup replay with Charlton at St James' Park tomorrow and Dalglish said: "Terry and Arthur have prepared the team for tomorrow and it wouldn't be fair of me to take over."

"Terry Mac will stay here. He's someone I know I can trust and the same goes for Arthur. He has got a vast knowledge of Newcastle football club and it would be wrong of me to dismiss that. I can learn from it."

Dalglish has inherited a Newcastle side challenging for honours on three fronts — they are fourth in the Premiership, in the quarter-finals of the UEFA Cup and still in the FA Cup, but he was not about to make any rash predictions about success.

"I don't ever set targets. I just do my best and ask the same of other people," Dalglish said. "I'll try my best to give the people and the players here what they want — which is success."



Kenny Dalglish, Newcastle's new manager (left), shares a joke with Terry McDermott, who is staying on at the club, at St James' Park last night

Photograph: Laurence Griffiths/Emphas

"But let's just wait and see where we go from here. I never shoot my mouth off. I just go out and do the work. If the success does come along, all good and well."

Dalglish briefly met the Newcastle players before facing the press and then greeting ecstatic Toon Army fans, who had gathered outside the stadium singing his name.

Dalglish signed Alan Shearer and David Barry while at Blackburn, and played alongside and managed Peter Beardsley at Liverpool. With McDermott and Mark Lawrenson on the coaching staff, there will be plenty of familiar faces around him.

"There is always someone at the club you know who you take over, but the main thing, as far as I'm concerned, is that the players Kevin's left here are a credit to the club and to Kevin's judgement," he said. "The cynics may say there's not been any silverware, but there's not many clubs win silverware and there's no doubt that he's made the club stronger and given a lot of pride

and satisfaction back to Newcastle supporters which was missing five years ago."

Hall promised that Dalglish, like Keegan before him, would enjoy considerable financial backing in the transfer market. "You always have to make money available. This club has never shirked from spending money," Hall said.

Dalglish pre-empted inevitable questions about the manner in which he left Liverpool and Blackburn, each time of his own accord.

"I left Liverpool, which is well-versed, because I was unable to do the job, but there were two disasters in 14 years' service," he said. "And I left Blackburn because I was trying to protect Ray Harford a little bit, because there were internal problems, but they were footballing reasons."

First news came of the appointment came from Rangers vice-chairman, Donald Findlay, speaking on BBC Radio 5 Live.

Only last month Dalglish

agreed to join Carnegie Sports International, a company owned by the Rangers chairman, David Murray, in the role of new business development manager.

Findlay said: "I haven't spoken to him [Dalglish] personally, but I know obviously that things have been happening over the last day or two. We are sorry to see him go, but naturally wish him every success at Newcastle."

As the search for Keegan's successor progressed, Dalglish appeared to have slipped below Barcelona's Bobby Robson in

the pecking order, but, despite much public and private agonising, Robson proved unable to commit himself to a move to Newcastle.

The sight of grieving Magpies fans after Keegan announced

his departure last week gave the impression that they saw that as the end of the world, but the appointment of Dalglish seems very likely to sweep away that mood of despair.

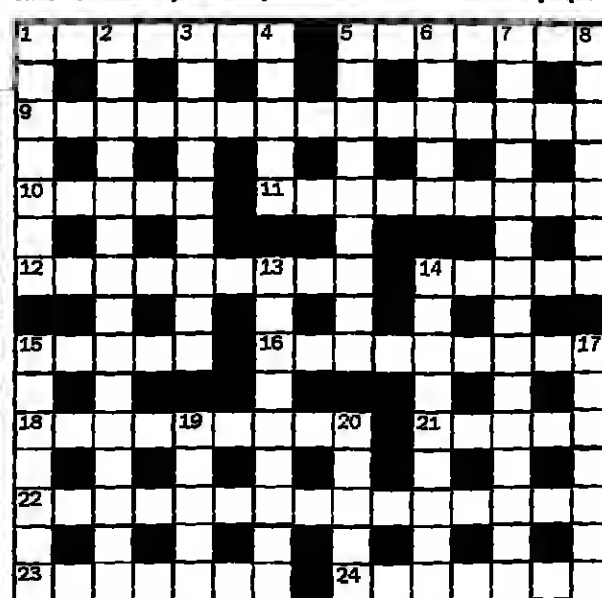
Dalglish's record, page 22

THE INDEPENDENT CROSSWORD

No. 3196, Wednesday 15 January

By Aquila

Tuesday's Solution



DOWN
1 Not using top gear around Yorkshire moor, in the air? (7)
2 Blighter soon out and about, mediating (15)
3 Place dressing here — hands not functioning, as a result (9)
4 Step necessary for celebrity to embrace one (5)
5 Principal line of ships (9)
6 Runner between banks in West Africa (3)
7 Fair women stumbled on plain solution (8,7)

ACROSS
1 Rivets, say, once driven in shipyards (3-4)
5 See me wearing plain-woven vestment! (7)
9 Cast on? (5,6,4)
10 Joint given in dismissal (5)
11 Insert art-work in moderation (9)
12 Muse to play the market (9)
14 Doctor benefit a black-eye? (5)
15 Blackly caught in trap, hiding — (5)
16 Not up to carrying trap back? That's indelible! (9)
18 Piece of gear-selection to help remove pieces from bridge? (9)
21 Abandoned convenience has only half a seat (5)

Middlesbrough rocked by three-point penalty

NICK DUXBURY

The day began badly for Bryan Robson and went downhill. First, his expensive Italian striker, Fabrizio Ravanelli, declared that Middlesbrough were doomed to relegation and then the Teessiders further drifted at the bottom of the Premiership by deducting three points for their no-show at Blackburn Rovers.

Middlesbrough were also fined £50,000, ordered to pay the costs of the FA commission and may have to pay compensation to Blackburn, who were left high and dry when Boro cancelled the game on 21 December with 24 hours' notice. On top of that they will still have to play the game at Ewood Park.

Robson, the club's manager, left the five-hour hearing at the FA's London headquarters grim-faced and making no comment after the decision which leaves his expensive, multi-national team four points adrift of next-to-bottom Southampton.

His demeanour before the hearing cannot have been much better, with Ravanelli having expressed his disgust with the way things are going at Boro, who have won only one of their last 16 League matches.

"I reckon we will be relegat-

ed. I'm almost certain of it," the striker, who cost £7.5m from Juventus in the summer, said in an Italian newspaper.

Ravanelli also mocked Robson's decision to give the players a break after Christmas even though they had slumped to the foot of the table.

"I can't even get angry any more. We have few chances of achieving safety and they give us three days off from training."

BOTTOM SIX

	P	W	D	L	F	A	Pts
Coventry	22	5	8	9	22	31	29
Leicester	21	6	5	10	20	30	25
West Ham	21	5	7	9	18	26	22
Nottingham Forest	22	4	8	10	21	36	20
Southampton	21	5	4	12	29	37	19
Middlesbrough	22	4	6	12	25	41	15

*Three points deducted

I went to the training camp but everything was locked up. The situation, I am very sorry to say, is truly tragic."

His pessimism was well founded, with Robson and the Middlesbrough chief executive, Keith Lamb, failing to convince the disciplinary hearing that 23 sick, injured and suspended players left them with no option but to pull out of the Blackburn game. Medical evidence supported their claim that Boro would have been unable to do themselves justice in a vital relegation match.

The Premier League, like

Boro, refused to comment after the hearing beyond a statement detailing the sanctions.

The Blackburn caretaker manager, Tony Parkes, who at the time described Boro's action as akin "to a Sunday League side", had thought Rovers had a good chance of being awarded the points.

"That hasn't happened and this is the second-best decision for us," he said. "But there are still things that we need to know."

"For instance, will Middlesbrough be allowed to field players they have signed in the meantime? It is very hard for anyone to recreate the original circumstances or situation."

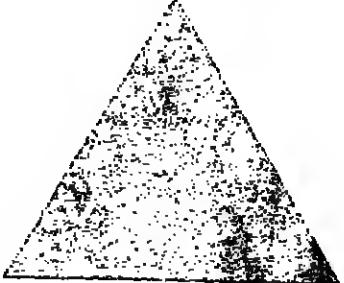
The Blackburn chairman, Robert Coar, said: "We argued strongly that Middlesbrough should have forfeited the game on the basis that they must have believed that Blackburn Rovers would have won. The commission warned that in future forfeiting a game might be an appropriate penalty."

The one bright spot in Robson's day was the arrival of the defender, Gianluca Festa, ready to complete his £2.7m move from Internazionale. Quite what Ravanelli had to say by way of greeting to his compatriot must have filled Robson with dread.

Southampton shares soar.



Men at work.



(See above).



Bass BEST SELLING PREMIUM CASK ALE SINCE 1777